## DOCUMENT RESUME

ED 059 484 AC 012 388

| | |
|---|---|
| AUTHOR | Boutin, Bernard L.; And Others |
| TITLE | Aspects of Sales Promotion. |
| INSTITUTION | Small Business Administration, Washington, D.C. |
| REPORT NO | Topic-7 |
| PUB DATE | 66 |
| NOTE | 76p. |
| AVAILABLE FROM | Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 20402 ($1.25); Small Business Administration, Washington, D. C. 20416 (on loan basis) |
| EDRS PRICE | MF-$0.65 HC-$3.29 |
| DESCRIPTORS | Administrative Personnel; Audiovisual Aids; Bibliographies; *Business Administration; *Case Studies (Education); *Course Objectives; Distributive Education; Educational Programs; Instructional Materials; Lecture; Lesson Plans; Library Facilities; *Management Education; Manuals; *Merchandising; Professional Continuing Education; Research; Stimuli; Teaching Guides; Teaching Techniques |

ABSTRACT

The seventh publication in a series of subject presentations in the field of administrative management for use by educators and businessmen who teach management courses is presented. These presentations are intended to be particularly useful to Distributive Education in the smaller community where library research facilities are limited and equipment for the production of visual aids is not readily available. The lecture is designed to be presented to the businessman in nontechnical language. The Lesson Plan is an outline of the material covered which may be used as a teaching guide. The Presentation may be used as written or modified to meet local needs and conditions. The Visual Aids are photographic copies of the set of visual aids which are available for this topic. These visuals are 8- by 10-inch colored transparencies prepared for use on overhead projectors. The Supply Department contains materials which may be reproduced locally for distribution to course participants. Cases in Point are short actual small-business management cases which may be used to augment the presentation and to develop discussion. The Incubator contains ideas for stimulating further thought and discussion by the participants. A bibliography and list of Small Business Administration field offices are included. (CK)

ED 059484

U.S. DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
OFFICE OF EDUCATION
THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL OFFICE OF EDUCATION POSITION OR POLICY.

SCOPE OF INTEREST NOTICE
The ERIC Facility has assigned this document for processing to: AC

In our judgement, this document is also of interest to the clearinghouses noted to the right. Indexing should reflect their special points of view. VT

F-X

# ASPECTS OF SALES PROMOTION

$
SALE
$
REDUCED
$
SPECIAL
$
SALE
$

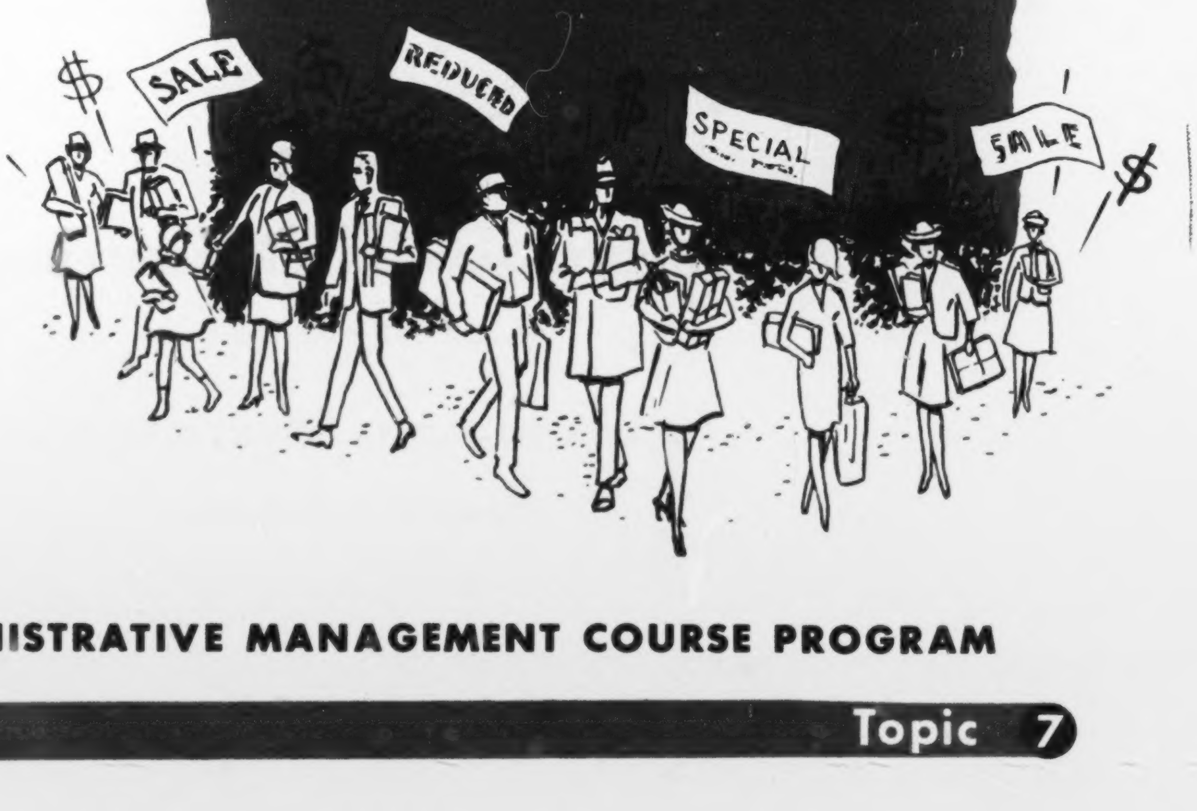
## ADMINISTRATIVE MANAGEMENT COURSE PROGRAM

## Topic 7

SMALL BUSINESS ADMINISTRATION

AC0 12 388

# ASPECTS OF SALES PROMOTION


$
SALE
REDUCED
SPECIAL
SALE
$

**ADMINISTRATIVE MANAGEMENT COURSE PROGRAM**

**Topic 7**

Small Business Administration
Washington, D.C. 20416 1966

## SMALL BUSINESS ADMINISTRATION

**Bernard L. Boutin, Administrator**

## PROCUREMENT AND MANAGEMENT ASSISTANCE

**Irving Maness, Deputy Administrator**

## OFFICE OF MANAGEMENT ASSISTANCE

**Murray W. Kramer, Director**

## MANAGEMENT TRAINING DIVISION

**Wendell O. Metcalf, Chief**

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402 - Price $1.25

# FOREWORD

The Administrative Management Course Program was developed by the Small Business Administration in cooperation with educational institutions to bring modern management knowledge and techniques to the owners and managers of small businesses. In 12 years, more than 1,000 universities, colleges, and local school systems have cosponsored almost 5,000 courses with this agency. More than 140,000 owners and managers of small businesses have attended these courses. Distributive Education, working through the local school systems, has accounted for about one-third of these totals.

This is an outstanding demonstration of public spirit and service on the part of these hundreds of educational institutions. Yet, there remain many thousands of small-business owners and managers who have never had the opportunity to attend an administrative management course.

A committee on management education, consisting of representatives of the Small Business Administration and the Distributive Education Division of the American Vocational Association, was formed to study ways of meeting the small-business management needs of the small communities and very small businesses in poverty areas. The committee recommended that a series of subject presentations, including lesson plans, lectures, visual aids, case studies, and handout material, be developed to assist in the establishment of administrative management course programs in new locations. Further, it was felt that this material could substantially assist existing management programs, particularly by emphasizing the importance of continuing education for small-business owners and managers, and by assisting the busy instructor with his preparation.

SBA accepted the responsibility for developing a series of subject presentations in the field of administrative management for use by educators and businessmen who teach these management courses. We believe that these presentations will be particularly useful to Distributive Education in the smaller community where library research facilities are limited and equipment for the production of visual aids is not readily available. They will also assist community planning groups in implementing the educational provisions of the Economic Opportunity Act of 1964.

This booklet was developed by the Management Training Division. I wish to express appreciation to the Richmond Public Schools System for granting leave of absence to John O. Perrault, who drafted the booklet. The final version was prepared under the administrative direction of Wendell O. Metcalf, Chief of the Management Training Division.

**Bernard L. Boutin,**
***Administrator.***

SEPTEMBER 1966.

# CONTENTS

*CHAPTER* **Page**

1. Foreword . . . . . . . . . . . . . . . . iii

2. A Word About This Session . . . . . . . . vii

3. The Lesson Plan . . . . . . . . . . . . 1

4. The Presentation . . . . . . . . . . . . 7

5. Visual Aids* . . . . . . . . . . . . . . 29

6. The Supply Department** . . . . . . . . 33

7. Cases in Point . . . . . . . . . . . . . 53

8. The Incubator . . . . . . . . . . . . . 61

9. Bibliography . . . . . . . . . . . . . 63

---

*A set of the visual aids is available from the nearest SBA regional office (see inside back cover for listing). These visuals are 8- by 10-inch colored transparencies for use on overhead projectors.

**Among the materials prepared as "handouts" to participants are several SBA free publications. Current information on the availability of suggested and new SBA publications may be obtained from the nearest SBA office.

# A WORD ABOUT THIS SESSION

This publication, one of a series, is directed toward teaching management skills to the small businessman. When the term "management" is used, it refers to administrative management functions rather than to purely operational features of business. Educators interested in cosponsoring small-business management courses may obtain a complete set of subject presentations on a loan basis from the nearest Small Business Administration field office (listed on the inside back cover). Single booklets or complete sets may be purchased from the Superintendent of Documents, Washington, D.C. 20402.

This topic, *Aspects of Sales Promotion*, was prepared to aid in teaching one session of a basic course. It contains sufficient material for a 45- to 60-minute lecture which is usually followed by a discussion period. The management case can be used to extend the session or to form the basis for a second session on the topic.

The lecture is designed to be presented to the businessman in nontechnical language. It is *one* approach to teaching sales promotion. Instructors may prefer to modify or revise the lecture in order to use their personal background and experience in the subject area. They may also find it preferable to alter the topic to take account of the training or special needs of their class participants.

This topic may be handled by an advertising manager, one trained in sales promotion, or another whose experience and interest qualify him. *Guide for Part-Time Instructors, Distributive Education for Adults*, a publication of the U.S. Office of Education, may prove useful to local instructors.

The various sections of the publication are separated by divider sheets of different colors. On the following page, these colors are given and the contents of the sections are briefly described.

Gray—*The Lesson Plan.* An outline of the material covered which may be used as a teaching guide, or as a framework for developing an individualized presentation. The lesson plan contains two columns: The left-hand column is an outline of the presentation; the right is a step-by-step indication of procedure, including chalkboard suggestions, quotations, discussion points, and a keyed guide to the visual aids supplied.

Rust—*The Presentation.* A carefully prepared subject presentation which may be used as written or modified to meet local needs and conditions. It may also be used as a source of information by a person preparing his own lecture.

Buff—*The Visual Aids.* Photographic copies of the set of visual aids which are available for this topic. These visuals are 8- by 10-inch colored transparencies prepared for use on overhead projectors. The subject presentation and lesson plan are keyed to the visuals. A set of visuals for each subject in this series may be borrowed from the nearest SBA regional office.

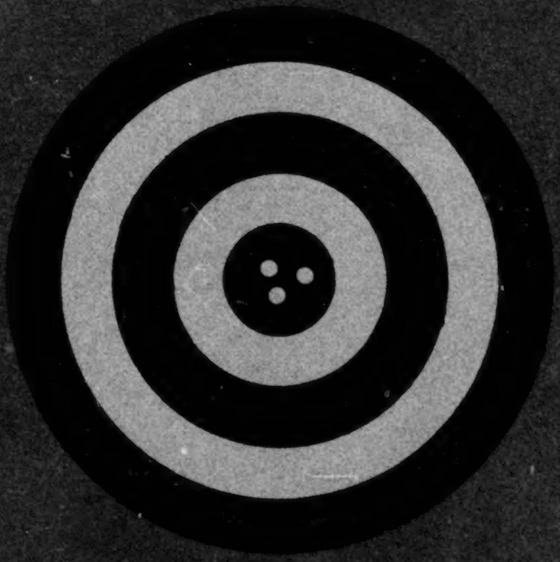
Green—*The Supply Department.* Materials which may be reproduced locally for distribution to course participants. Your nearest SBA office can furnish information on current availability of SBA free publications, including titles published subsequent to this volume.

Yellow—*Cases in Point.* Short actual small-business management cases which may be used to augment the presentation and to develop discussion, or as the basis for a second session on the same topic.

Blue—*The Incubator.* Ideas for stimulating further thought and discussion by the participants. This material may be reproduced locally for distribution to course participants. "Assignments" are designed to aid in retention of the subject matter of the session.

---

NOTE: See back cover for index reference to the divider sheets.



# THE LESSON PLAN

## *A Keeping on Target*

## Section

Good teaching depends on good planning. A session objective or target must be set. Then the points are selected that will enable one to keep hitting at the heart of that target.

The primary aim of the instructor is to first give the participant the things he MUST KNOW, then the things he SHOULD KNOW. When these two aims have been achieved, the topic can be embellished with the like to know and helpful to know elements.

The following lesson plan is "on target." If it is used as a guide, it will enable the instructor to emphasize the major points while at the same time he stimulates the participants to grasp the subject.

## INSTRUCTIONAL FORMAT SHOULD BE STIMULATING

### Use The Three B's

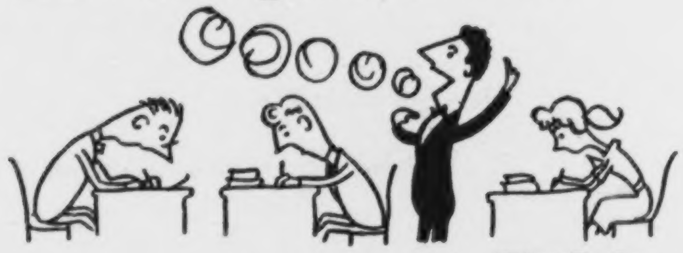
- ***Base*** instruction on problems at learners level.
- ***Blend*** instruction with job experience.
- ***Brighten*** instructions with variety of ***illustrations, investigations*** and group ***participation.***

## FOUR BASIC STEPS OF INSTRUCTION

Instructing is like selling - -

| Selling | Instructing |
|---|---|
| 1. Approach customer | 1. Prepare the group |
| Promptness | Start on schedule |
| Put at ease | Put group at ease |
| Awaken ***interest*** | ***Awaken*** interest |
| 2. Present merchandise or service | 2. Present information |
| Select merchandise to fit need | Gauge material to needs |
| Show one item at a time | Present one point at a time |
| Demonstrate ***selling points*** | ***Show, illustrate, question*** |
| 3. Have customer take part | 3. Have group participate |
| Get merchandise into customer's hands | Get group to ***discuss*** |
| Let customer "try on" merchandise | Have members ***demonstrate*** or ***use*** ideas |
| Answer questions and meet objections | Answer questions and correct errors |
| 4. Bring sale to close | 4. Bring meeting to a close |
| Help customers decide; ask:<br>"which"<br>"for whom"<br>"when" | Check on understanding; ask:<br>"why" "how"<br>"when" "what"<br>"where" "who" |
| Be sure merchandise fits need | Be sure group now can use information |
| Summarize points of care and use | Summarize "take away" ideas |
| Handle mechanics of sale | Make a definite conclusion |
| Pave way for return visit | Pave way for next session |

## *How To Deal With "Difficult Customers"*



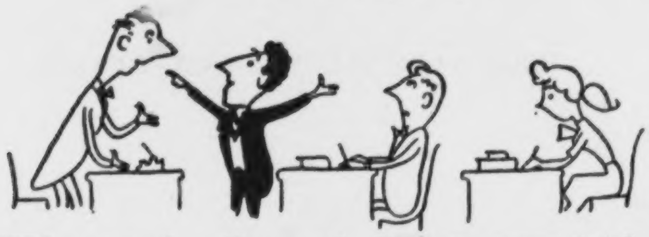
***What To Do***

**THE "MOUTH"—wants to do all the talking.**

Take the play away from him by asking others to comment on his remarks.

Deliberately turn to others and ask for their opinions. Avoid looking at him.

Tactfully ask him to give someone else a chance, or talk to him in private.

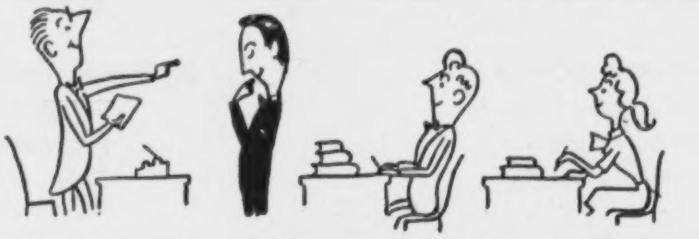


**THE "ARGUER"—constantly tries to catch you up.**

Keep cool. You can never "win" an argument. Always make him back it up. Ask for evidence.

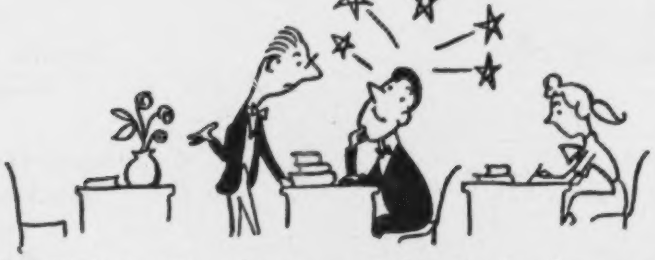
Avoid getting personal.

Refer the question to the group and then to him.



**THE "MOUSE"—is in every group.**

Call him by name and ask him for an opinion. Ask him an easy question he is sure to answer well, then praise him. This person is worthy of your attention.



**THE "SO-WHATER"—is disinterested.**

Point up something he has done as a good example of the point being stressed. Ask direct questions affecting his work.

# LESSON PLAN

## TOPIC: ASPECTS OF SALES PROMOTION

**OBJECTIVES:** To establish understanding of the nature and purposes of sales promotion.

To consider some of the appropriate methods small retailers or service businesses can use to promote sales.

To outline the areas of management decisions that relate to the planning and operation of sales promotion programs.

| SESSION CONTENT | TIPS AND APPROACHES |
|---|---|
| I. THE NEED FOR SALES PROMOTION | Visual No. 7–1. |
| A. To attract customers | |
| B. To show that you are keeping up with the times | |
| C. To protect against competition | |
| II. DEFINITIONS | |
| A. Sales promotion | |
| 1. Outside activities<br>2. Inside activities | Visual No. 7–2. |
| B. Advertising versus sales promotion | |
| III. MANAGEMENT DECISIONS IN SALES PROMOTION | Visual 7–3. |
| A. Decision 1: Determine Policy | |

| | |
|---|---|
| 1. Establish an image, such as | Visual No. 7–4. |
| a. Favorable location | |
| b. Economy | |
| c. Fashion | |
| d. Good assortment | |
| e. High quality | |
| 2. Plan sales events | |
| B. Decision 2: Analyze the Market | Visual No. 7–5. |
| 1. The market area | |
| 2. Prospective customers | |
| 3. Your competition | |
| C. Decision 3: Decide WHAT To Promote | Visual No. 7–6. |
| 1. Keep the customer in mind | |
| 2. Select a theme | |
| 3. Coordinate theme with buying motives. | Visual No. 7–7. |
| a. Convenience or comfort | |
| b. Love or friendship | |
| c. Desire for security | |
| d. Social approval or status | |
| e. Life, health, and well-being | |
| f. Profit, savings, or economy | |
| g. Stylishness | |
| 4. Determine quantity to be sold | |
| D. Decision 4: Decide WHERE To Promote. | Visual No. 7–8. |
| 1. Outside media | |
| a. Newspaper | |
| b. Direct mail | |
| c. Handbills | |
| d. Other: telephone, yellow pages, billboards, radio and television. | Visual No. 7–9. |

| | |
|---|---|
| 2. Inside promotion | |
| a. Window displays | |
| b. Interior displays | Handout No. 7–1. |
| 3. Coordination with sales people | |
| 4. Promotion—a continuous process | |
| E. Decision 5: Decide HOW MUCH To Spend | Visual No. 7–10. |
| 1. Sales promotion budget | |
| 2. Factors to consider | |
| a. Age of firm | |
| b. Policies of firm | |
| c. Size in community | |
| d. Location | |
| e. Size of trading area | |
| f. Competition | |
| 3. Importance of records | Visual No. 7–11. |
| F. Decision 6: Decide WHEN To Promote | Visual No. 7–12. |
| 1. Frequency of sales events | |
| 2. Factors in promotion timing | |
| a. Climatic factors | |
| b. Calendar factors | |
| c. Traditional factors | |
| d. Special factors | |
| 3. Sales promotion calendar | Handout No. 7–2. |
| IV. SUMMING IT UP | Visual No. 7–1. |

# THE [illegible]

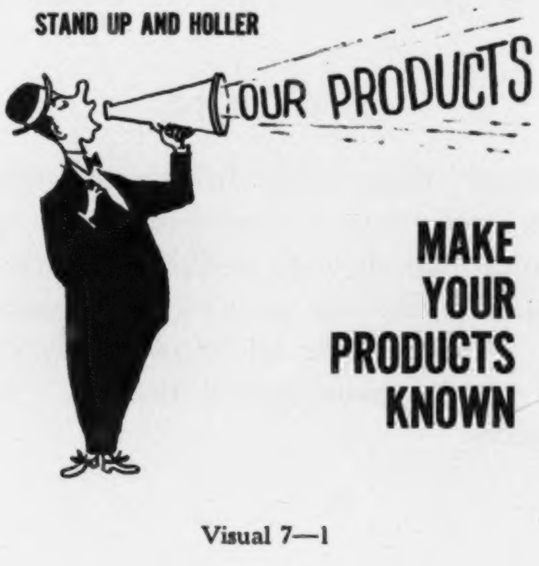
# ASPECTS OF SALES PROMOTION

## STAND UP AND HOLLER

Although the author's identity is lost, the following four-line poem carries the message of sales promotion:

He who whispers in a well,
"I have something nice to sell,"
Will never make as many dollars
As he who stands straight up and hollers.

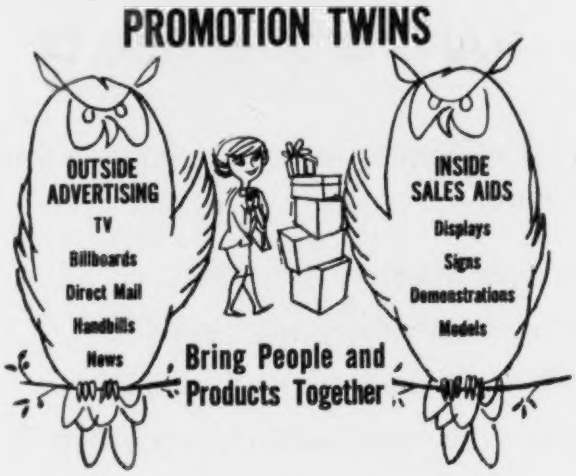
For years we have heard about the importance of a "better mousetrap"; but unless people know you have something to sell, that you are in business, and that you would like them as customers, the trail to your busines may be "strewn with thorns" and few customers. The only folks likely to "beat a path to your door" are your creditors.



Visual 7—1

Without well-planned, continued sales promotion, your business will wither. Sales promotion will keep it lively and vital. New customers will be attracted. Old customers will be encouraged to buy more.

Also, in today's complex business world everything seems to change so rapidly. Some of you may remember the transition from the icebox to the refrigerator. It took years to convince people that something mechanical in the kitchen was beneficial. Look around your kitchen today and count the mechanical and electrical items which were nonexistent just 5 or 10 years ago—the electric knife, can opener, automatic icemaker, automatic oven cleaner, the ultrasonic oven, and on and on. These days of rapid changes reinforce the need for promotion to show that you are keeping up with the times.



Visual 7—2

With a constant stream of new products available in so many different places and with approximately 1,400 new businesses starting each day, it soon becomes apparent that you have to "stand up and holler" if you are not to be buried by your competition. You must let people know of your products, services, and place of business.

## DEFINITIONS

What is sales promotion? What is the difference between sales promotion and advertising? First, sales promotion is the coordinated effort to increase sales. Sales promotion is accomplished through activities taking place both outside and inside the place of business. Outside activities are conducted to attract people to the place of business. They include all forms of advertising, telephone selling, personal publicity, and special promotional devices. Inside activities include interior and window displays.

Sales promotion includes selling activities that supplement both advertising and personal selling, such as displays, demonstrations, contests, premiums, trading stamps, bonuses, and prizes. In short, *sales promotion embraces all business activities that are intended to influence sales.* Just putting a sign in your window "Open for Business" is a form of sales promotion. The sign over the door, the display in the front window, the goods placed out on the sidewalk, the items arranged for display in the store—all are telling people that you are open for business and that the products displayed can be bought in your store. You are promoting sales by shouting that you are ready, willing, and (you hope) able to satisfy your customers' needs.

Sales promotion is not confined to any particular type of business; but in this presentation, emphasis and illustrations will be directed primarily toward retailing and service firms. Any of you present who are in manufacturing and wholesaling can adapt the illustrations to your line of business.

What about advertising and sales promotion? As suggested earlier, advertising is a part of sales promotion. Advertising is generally thought of as the principal outside promotional activity under the big umbrella of sales promotion. It has been said that

> Outside promotion pushes the people toward the product, while
> Inside promotion pushes the product toward the people.

**SALES PROMOTION DECISIONS**

- **Determine Policy**
- **Analyze Market**
- **What to Promote**
- **Where to Promote**
- **How Much to Spend**
- **When to Promote**

Visual 7—3

## MANAGEMENT DECISIONS IN SALES PROMOTION

There are management decisions to make in connection with sales promotion. We shall discuss six (listed in Visual 7–3). These six decisions are not necessarily placed in the order in which they must be made. Each one affects each other.

## Establish an Image

What is the public image you want to create or support? Establishing an "image" is important because it will influence everything you do in sales promotion.

Selecting an image is like choosing the personality for your business. If the personality is easily recognized and pleasing, your business image is established. For example, if you were to select the image of "exclusive fashions," all factors must reflect high fashion: The decor of the entire store, the window and interior displays, the advertising, packaging materials, the salespeople, as well as the buying and pricing decisions.

ESTABLISH an IMAGE

Visual 7—4

How can you convey your image to the customer? There are many ways. For example, one man wanted to convey the image that his was a favorable location. His newspaper ads, advertising circulars, and signs carried the slogan: "At the Crossroads."

Economy for the customer was the image of a small store called "The Thrift Center." Another one wished to emphasize fashion and so was known as "The Smart Shop." Still another wished to build the image of being able to satisfy customers with an ample assortment. So it advertised: "We have it or will get it." To impress the customer with the quality of the merchandise, the words "Laboratory Tested" are often used in advertising and on display signs. Then there is the store which attempts to create the reputation for good service through use of the slogan: "The Friendly Store."

You can build an image for providing excellent service by offering extra courtesies. For example, a rather impressive service is provided by a bank in

Washington, D.C. It has installed a buffing machine by the front door with a sign offering FREE SHOE SHINES to all customers. This helps bring men and women into the bank, and perhaps more often, rather than into a competitor's bank on the next corner. The cost of the machine was nominal.

A cafeteria in a southern town "packs 'em in" all year round, not because its prices are any lower but because it gives its customers something extra. Besides a clean table cloth to each customer, one night each week all grandparents, get a slice of apple pie free. Another evening is ladies night . . . free pie to each lady regardless of age. As you pay your bill, the cashier gives you a stick of gum on the house. These "Extras" Bring Customers in . . . and Keep Them Coming Back.

### Plan Sales Events

Policies discussed thus far apply to day-by-day sales promotion. Sales are necessary every day. And sales promotion is necessary every day. But often we think of sales promotion only in connection with special sales events. Much of this talk will be based around promotion for sales events.

While all sales events are put on to increase sales, there are different types which have different secondary purposes.

One is the sale put on primarily to attract new customers or to introduce new products or services. Another is held primarily to move slow-selling merchandise or to close out an unsatisfactory line. Still a third type is the one conducted primarily for the purpose of raising cash. Such sales are sometimes necessary regardless of their effect on the business. Each of these requires some differences in promotion; but in all cases the image of the business, as determined by the overall policy, should be maintained.

## Management Decision 2: Analyze the Market

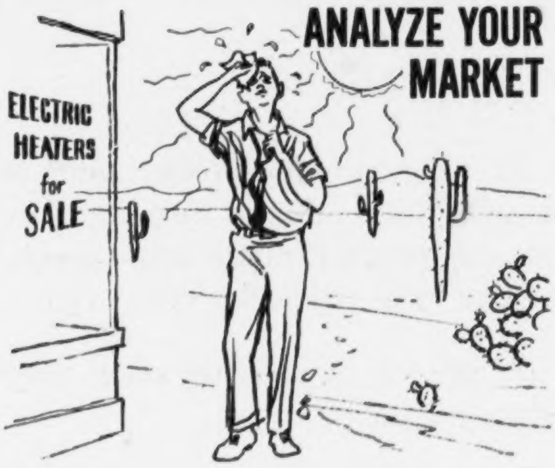
### The Market Area

Let us turn to another important decision in respect to sales promotion. This is to decide exactly what your market is.

A starting point is to work out a description of your market area. What are the geographical areas within which you do business? This depends largely on your location and what you sell.

For example, the only tractor dealer in the county seat of a farming community draws from the whole county—maybe more if there are no comparable tractor dealers in the adjoining county. In contrast, a downtown hardware store in a medium-size city may draw only from the city and its immediate suburbs. A neighborhood drug store may be limited to several blocks. Thus location, coupled with the type of goods handled, helps define the area of your market.

This leads to the fact that distance of the customer from your location is an important consideration in setting the boundaries of your market. How long does it take the customer to walk or drive to your place of business? Can he buy the same items from another place which is closer or as near to him as your store? It is said that normally people go to the biggest place they can get to the easiest.



Visual 7—5

Try to examine the area around your place of business in terms of the ease with which people can get to it and to your competitors. The objective is to draw an approximate sketch of your market area.

**Prospective Customers**

It must be rocognized, of course, that distance is only *one* factor in deciding what your market area is, since excellent sales promotion by you or one of your competitors may extend the area beyond the line drawn on the basis of distance alone. But having this sketch of the area is a help when considering other factors. For example, it can be the basis for providing answers about your prospective customers.

What is the population in this area and nearby areas?

What is the size of the average family?

Is the population increasing? If so, are your sales increasing at the same or greater rate or lagging behind?

What are the economic and social characteristics of your "hoped for" customers? (An example of one would be to know the paydays if you are located in a predominantly manufacturing community.)

An honest effort should be made to answer these and similar questions. The more you know about the customers in your market, the better you can cater to them and buy for them.

One Midwest retailer, with rather unusual personal tastes, knew his customers well enough that when buying for the store he would say to himself, "Would I like this for myself?" If the answer was "No," he would consider buying the merchandise because he knew his customers' tastes were opposite from his own.

Analyze your customers, find out what they want to buy from you during the different seasons. Enter this information on a sales promotion calendar for the year.

### Your Competition

Besides knowing the geographic boundaries of your market area and getting information about your prospective customers within this area, you should learn all you can about your competition. For example,

What points of superiority can you offer customers to offset direct competition?

What can your competition offer, and what are the attractions of other shopping centers?

## Management Decision 3: WHAT To Promote

### Keep the Customer in Mind

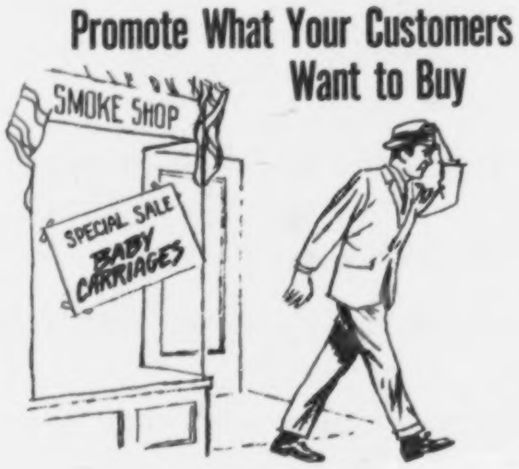
After deciding on the business image you want to convey and analyzing your market, the next important step is to decide exactly what items you want to promote. The goods and services you do promote should be the ones your customers want to buy. Keeping in mind their wants and your image, you can then select items of the right quality and fashion . . . in the right quantity . . . to sell at the right time at the right price.

Offer services or buy merchandise wanted by your customers. In other words, the common denominator includes:

- The right merchandise
- At the right price
- At the right time
- Of the right quality
- In the right quantity
- In the right fashion
- For the right market

How do you decide which merchandise to promote?

Keep in mind your image and reputation. If you have spent considerable time, expense, and effort in trying to offer *real values*, it is important to keep this in mind when selecting merchandise for special promotion.



Visual 7—6

It is possible to sell merchandise that is a little shopworn or damaged. However, let your customers know why you are trying to get rid of the merchandise. They will appreciate your honesty, and your reputation will not suffer. Do not sell soiled or damaged goods as regular merchandise; and, generally speaking, do not build a special sales event around such merchandise.

In other words, the merchandise you offer for sale should be the same as your regular merchandise. Otherwise, your regular customers could tell the difference. Try to take the point of view of your customers in selecting merchandise to promote.

Keeping the customers in mind should help you make the right decisions in another way. This is in determining what regular merchandise should surround your sales items. By increasing sales of regular stock which is related to merchandise being promoted, it is possible to increase sales of other items by promoting just a few items.

It may be necessary to realize less profit on sales items and increase overall profit by selling other merchandise. A good value does not always mean a bargain basement price. The trend today is toward quality buying as well as price. Therefore, stressing quality can be an important appeal. Nearly all customers like to feel that they are "getting their money's worth."

### Select a Theme

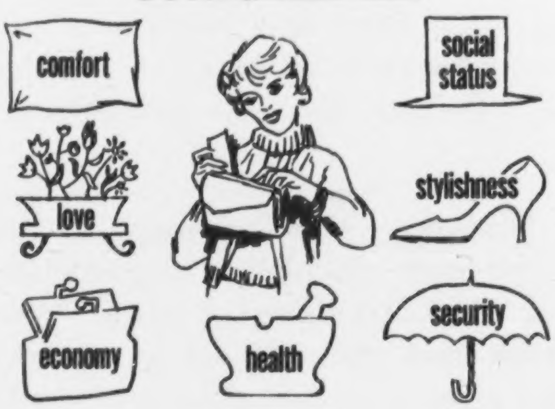
In deciding what to promote, plan to create excitement. For instance, when planning a major promotion, try to find an appealing *theme* and build around it.

Select a theme that captures the imagination . . . like a Mardi Gras, a Parade of Values, a Fall Festival. The theme should fit the store image and the time of the year. It should be one that will make good advertising copy and suggest some interesting ways to decorate the store.

A good theme will keep customers coming back, and at the same time help boost morale of the salespeople—whether you have one or a dozen.

### Coordinate Theme With Buying Motives

The following buying appeals or motives may be used in developing the theme to make a coordinated sales promotion campaign. These are basic reasons *why* people buy merchandise from you.



Visual 7—7

**Convenience or Comfort**—Many items are bought for the convenience or comfort of the buyer. People seek convenience in performing their everyday tasks. Hence, the reason for the popularity of such things as packaged food mixes, the "instant," frozen foods, electrical appliances, and cleaning detergents. Desire for comfort sells warmer and lighter weight fabrics for clothing, soft but firm mattresses, contour chairs, better-riding automobiles. Good sales promotion makes appropriate use of the desires for convenience or comfort.

**Love or Friendship**—Another reason for buying is love or friendship for others. Parents make many purchases—often at a sacrifice—because of their love for their children. At certain times of the year, this motive is particularly strong—such as the Christmas shopping season, Mothers' Day and Fathers' Day.

This motive includes the desire to be loved or to have the friendship of others as well as the feeling of love and friendship toward others. Thus it underlies appeals used in selling beauty aids and products to produce a youthful appearance.

**Desire for Security**—The desire for security is another buying motive. Most people are greatly concerned about living longer and will buy to be protected against possible dangers to their physical or financial security and that of their loved ones. Appeal to this motive is made in the sale of such items as safety devices, insurance, and products for sanitary purposes.

**Social Approval or Status**—One of the most important buying motives is the desire for social approval or status. People buy certain kinds of clothes, automobiles, homes, and many other things to show their good standing. Sometimes this desire for status is satisfied through being distinctive and sometimes through imitating others—the "others" being those whom the buyer considers superior to himself in social status.

**Life, Health, and Well-being**—The desire for life, health, and well-being is a buying motive. People must have food, shelter, and clothing, and sometimes buy for the purpose of fulfilling their biological needs alone with relatively little concern for social status, the desire for extra security, or the need for love and friendship.

**Profit, Savings, or Economy**—Profit, savings, or economy gained through a purchase is a reason why many people buy a particular item. People like to pride themselves on their thrift and shrewd buying. Women flock to a bargain sale. They watch specials and take advantage of markdowns. Getting the most for her money often gives a woman a sense of satisfaction in her ability to manage her household. This appeal to economy is just as effective to many men. The sale of the "large economy size" is made on the basis of this buying motive.

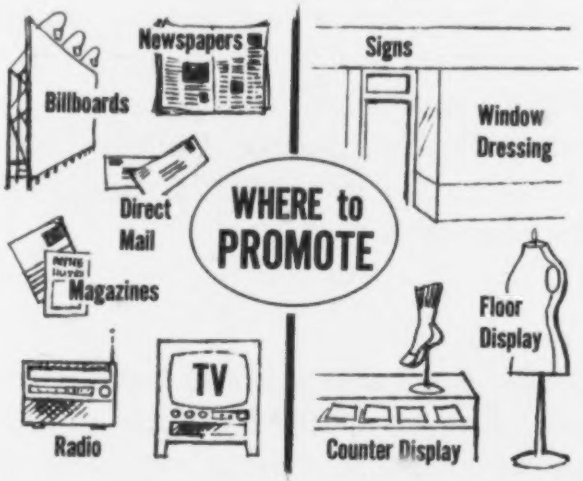
**Stylishness**—Stylishness is another buying motive, closely related to some of the others. The desire to be "in style" is a deeply rooted one. From this stems the whole idea of fashion—a big factor upon which much sales promotion is based today.

The buying motives of customers differ among individuals. Furthermore, they change in the same individual. Nevertheless, it is important to recognize them and be able to appeal to them through effective sales promotion. Stressing the right ones will support the theme you have chosen for a specific sale.

### Determining Quantity To Be Sold

What quantity is to be sold is an important element of your sale. This is because it determines the preparation needed, the prices to be set, and the amount and kind of sales promotion required. If a small quantity of merchandise is to be sold, a special price and sign may be the only promotion needed. If a large amount of merchandise in a storewide event is to be sold, interior displays throughout the store, window displays, advertising in media outside the store, and special instructions to salespeople must be planned and coordinated.

So much for WHAT to promote, now for WHERE.



Visual 7—8

## Management Decision 4: Decide WHERE To Promote

Deciding *where* to promote depends on many factors, such as the nature of the merchandise, how much of the merchandise you have for sale, and how much money you believe should be used to promote.

For example, in considering the nature of the merchandise alone, if an item has news value, use newspaper advertising. If the item has strong and desirable visual qualities, show it off in your window and store displays. If it can be identified by a word description, promote it on the radio. If the item meets the requirements for both displays and radio, consider using television.

From the standpoint of quantity, if you have a relatively small lot of the item for sale, you cannot afford the cost of too extensive advertising. Neither can you afford the damage to your reputation by having customers find that the sale merchandise is all gone early in the day for which it was advertised.

How much you have to spend, of course, affects your decision about where to promote. The item itself, the quantity of it you have, and your advertising budget will help guide you in deciding where to promote it; that is, what medium—or combination of media—to use.

The Smaller Stores Division of the National Retail Merchants Association conducted a survey on advertising practices of "smaller stores." Of the 23 stores with sales under $200,000 reporting, 21 stated that 68 percent of their budget was spent for newspaper advertising, 15 used direct mail for 15 percent of their budget, and 11 indicated that 24 percent of their budget was spent on radio advertising.

There are media outside your place of business and inside your place of business. Outside media include newspapers, direct mail, handbills, classified advertising, outdoor signs, motion picture theater advertising, radio, and television. Examples of inside media are window displays, interior displays, blowups of advertisements, handbills, manufacturers' literature, gift novelties, signs, posters, and merchandise attachments such as tags and labels.

## Outside Media

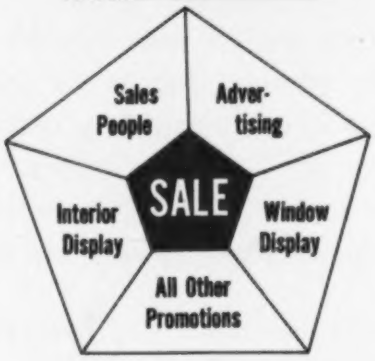
**Newspapers**—Items for newspapers should have news value. A newspaper is purchased for the news. The newspaper has a low cost per reader, wide market coverage, and quick public response, among other favorable factors. On the other hand, its circulation may (1) go to too many people who are not customers for your product, or (2) extend to areas so far away that readers from those remote places are unlikely to come to your store.

Before advertising in any particular newspaper, you should find out the area covered by its circulation. Then decide whether the part of the circulation helpful to you is more effective and economical than some other means of advertising. In considering newspaper advertising, do not overlook the neighborhood newspapers.

**Direct Mail**—Direct mail advertising includes letters, folders, post cards, booklets, circulars, leaflets used as stuffers with bills or other mail, and other devices that are mailable. Through direct mail you have the opportunity to select the audience to which your message is directed. The message may be more personal than that in a newspaper because a select group is being addressed. If appropriate mailing lists have been obtained, the "select groups" are more likely to become customers for the particular items being promoted. On the other hand, it is more expensive per prospective reader than some other types of advertising.

**Handbills**—Handbills are often useful for stores in small communities or neighborhood stores in larger communities. They have many of the advantages of direct mail, but are cheaper to distribute. They can be the least costly method of small volume advertising if they are handled properly. Handbills are not effective when delivery boys throw them away.

A SUCCESSFUL SALES EVENT MUST BE
TOTALLY COORDINATED



Visual 7—9

Additionally, community reaction to an excess of advertising material scattered on porches and stuffed in mail boxes can be unfavorable.

Tastefully prepared material, properly controlled, can make handbills a useful and productive medium.

**Other Outside Media**—These possess advantages and disadvantages too. For example, the use of telephone yellow pages and classified sections in the city directories are particularly effective. When a person is looking for a name in a classified list, he is definitely in the market for something. This means of advertising is especially valuable to service businesses which have little opportunity for bargain or seasonal promotions.

Billboards and car cards may have a place in some situations. Their cost is low in proportion to the number of persons who see the message every day. But many people may not read the message or buy from your store if they do.

Radio and television have become extremely effective media for advertising—even for smaller businesses. But, in considering the use of these media, be sure that in your own particular situation they will reach people who can reasonably be expected to be customers.

### Inside Promotion

We have been talking about outside promotion which "pushes the people toward the product"—that is, it brings them to your place of business. Perhaps even more important is the inside promotion which "pushes the product toward the people." One store owner, who had given much thought and study to the subject, said that only 15 percent of his store traffic was influenced by newspaper advertising while 85 percent was reached through store display.

**Window Displays**—Windows are the face of your store. More than anything else, the items displayed in the window reflect the image of your business. The item must have eye appeal and attention-getting qualities as well as being something you are proud to "show off." The window must stop the passerby and encourage him to take buying action. Window displays can, and often do, show uses of products or transmit appeals more effectively than the salesperson.

**Interior Displays**—Although windows may help in attracting customers, sales are made at the counter. Unless interior displays are good, the pulling power of outside promotion and window displays will be lost. These displays must attract the eye and turn store traffic into "stoppers"—people who stop and examine the goods. The difference between a commonplace display and an outstanding one is often slight. Good displays contribute to the pleasing surroundings of the store and stimulate favorably those who see them.

They will be more likely to "sell," however, if they emphasize single items. Customers buy one item at a time. So the best displays feature an item or items rather than a line of products. Even within a group of similar items, one is often singled out to be highlighted.

One owner of a small store used to frustrate his salespeople—at least until they discovered the value of his actions. After customers had pawed through items on a counter, the salesgirls would rearrange the merchandise neatly. Then the store owner would come along and rumple one item or turn it askew. He recognized the fact that a customer is interested in one item at a time. The next shopper would see the item which was out of order. She might not want that particular item, but that was not important. She would stop and start looking.

Tests have revealed that twisting one magazine in a rack of magazines will increase sales by as much as 15 to 25 percent.

### Coordination With Salespeople

We cannot leave the subject of media for sales promotion without referring to the importance of coordination of all the types of sales effort. Salespeople should be familiar with the advertising and store displays as well as with the merchandise they sell. If goods are moved from their customary location to make room for a special display, the salespeople should know and understand the reason for it. Their support is vital to maintaining a favorable store atmosphere.

### Promotion—A Continuous Process

Much of this discussion about where to promote has dealt with the promotion of special sales events. Actually, the job of sales promotion goes on all the time. All the media discussed are used for promotion of regular merchandise or services at regular prices as well as for special sales events. Other methods are used too.

There is a bakery in a midwestern city which offers purchases free if the cash register receipt contains three identical numbers such as 222 or 333. This brings in customers.

In New York City, a gasoline service station dealer encourages repeat business by giving prizes to customers on their birthdays.

Other ways of continuous promoting are prominent displays of the firm's name, public relations activities, personal contacts, and encouragement of word-of-mouth advertising.

The firm name can be displayed on the store front and delivery trucks in a way that will enhance the store image. Public relations through active participation in lodges, civic clubs, social and church groups, and charity drives help to build the firm's reputation. Of course, the owner should not direct his time to so many outside activities that his business is seriously hurt. Personal contacts outside the place of business for the purpose of selling are often necessary. And finally, most businessmen agree that word-of-mouth advertising is the most valuable kind. Therefore, anything a store owner can do to increase this type of sales promotion should be done.

## Management Decision 5: Decide HOW MUCH To Spend

### Sales Promotion Budget

How much to spend for sales promotion, including advertising, is a vital determination in your business. First, you should have some overall plans for the year. You may decide that you are going to spend a fixed dollar amount, in total, for the year. Or you may decide to spend a definite percentage of net sales. In that way, if your sales begin to increase beyond your expectation, you increase your sales promotion expenditures accordingly. On the other hand, if your sales begin to fall off and you believe this trend may continue, you cut down on sales promotion costs. (There are some who believe this is the wrong thing to do—at least in the beginning of a fall-off in sales. They say you should promote more instead of less at that time. You must take local and general economic conditions into consideration before making a decision.)

YOUR PROMOTION BUDGET
IS AN INVESTMENT
SALES
SALES
SALES
SALES
SALES
$

Visual 7—10

Another approach is to develop a workable sales promotion pattern for your particular business and use the pattern for each promotion, allowing enough flexibility in the plan for refinements and up-dating of material. Take a look at your sales record for the same period last year and, after considering all factors which might influence this year's sales, estimate your sales for the coming period—year, month, week, and even the day. After analyzing the situation, decide on the sales goal for the period and set up a sales promotion budget.

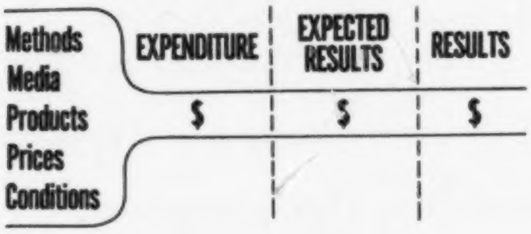
It is not easy to develop a realistic budget—especially when a business is new. A basic philosophy to follow is: Do not spend more than necessary to reach your goal.

### Factors To Consider

Some of the factors to consider in determining the amount to spend on sales promotion are:

1. Age—A new store needs more promotion.
2. Policies—A women's shoe store needs more promotion than a pastry shop in a shopping center.
3. Size in a community—A small store in a large community needs proportionately more advertising.
4. Location—A neighborhood bookstore needs more promotion than an airport bookstore.
5. Size of trading area—A county seat farm equipment dealer serves a wider area than a city shoe repair shop and needs wider publicity.
6. Competition—More promotion may be needed in one situation than in another to meet or surpass the advertising of your competition.

RECORD AND ANALYZE



Visual 7—11

### Importance of Records

It is important to keep good records so that you will know what results you are getting from your sales promotion expenditures. Watch every penny. By comparing past promotional expenditures with resulting sales, it becomes easier to estimate the amount needed for similar items of display and advertising.

After advertising for a while, you can more easily decide how much to allocate for each advertising medium because you will know which gives you the best return.

This indicates the importance of keeping records on the costs of sales promotion. Whenever you have a special sales event, keep complete, but simple, records. Include:

1. The date(s) when the sale was held.
2. The theme used.
3. The weather conditions during the sale.
4. The sales you expected in comparison with what was actually attained.
5. The kinds of merchandise you promoted.
6. Their sales prices.

## Management Decision 6: WHEN To Promote

### Frequency of Sales Events

Can you have too many sales events? This is possible, depending on the image and reputation of your business. It is usually best not to schedule sales events one after another. And as a rule, don't hold sales for long periods of time. The reason is that if storewide sales are held too often or for too long a period of time, people will think the sales prices are really the normal prices and then the public will not believe you when you "stand up and holler" SALE.

On the other hand, there are the exceptions that prove the rule.

A small store in upstate New York planned and conducted 42 promotional special sales events in one year. These included National Crochet Week in January, a Teenage Sewing Contest in March, and the Arrival of Mr. and Mrs. Santa Claus the last part of November. Active, vibrant, different, and continuous sales promotion brought in sales.

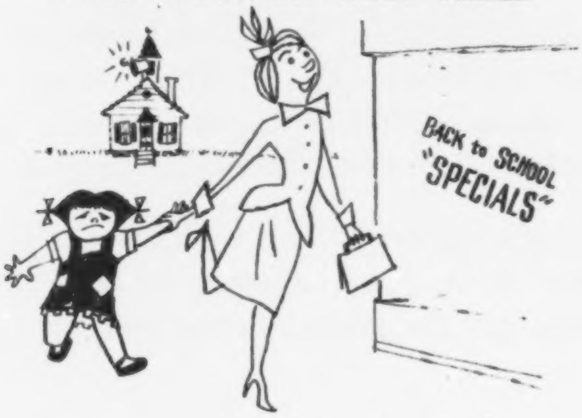
But more important, increased sales do not necessarily bring increased profits. If your inventory is overloaded with low-markup sale items, it is impossible to maintain the *average* markup necessary to stay in business.

### Factors in Promotion Timing

Some of the factors which help to determine *when* to promote are:

**Climatic Factors (Weather)**—Merchants can do something about it by being prepared ahead of time—for example, being ready to feature raincoats on rainy days and tires and chains in snowy weather. Yet it sometimes works out all right to be contrary. For example, during an exceptionally dry and hot August, one small store ran a special sale of ladies' umbrellas. It featured the advertising theme: "These gay umbrellas make good parasols too. And when rain comes, as it surely will, umbrellas are hard to find. Get yours now." Results were good.

**Calendar Factors**—Holidays and special dates such as Christmas, Mother's Day, Easter.



SALES MUST BE WELL TIMED

Visual 7—12

**Traditional Factors**—Retail customs and traditions—such as white goods sales, February furniture sales, August fur sales.

**Special Factors**—Those characteristic of your store or community—such as Dollar Days, Pioneer Days, and special opportunistic events like First Landing on the Moon sale. Dates of county fairs, community days, graduation days, school openings, and other local affairs may be good times for special events.

When you have decided about the general period of the sale, the days in the week or in the month must be chosen. Some stores have found that certain days bring better results than other days. For instance, in one locality payday for a large nearby industrial plant was on Tuesday. A small merchant found that holding special sale events on a cash basis on Wednesday was more productive than holding them on Monday. The plant workers had more money just after payday than at the end of their wage-earning period.

Whatever the date of the sale, it should be announced and advertised far enough ahead to allow customers to make their buying plans. On the other hand, is should not be announced so far in advance that customers might forget and that competitors would be able to arrange competing events.

### Sales Promotion Calendar

The right timing for sales promotion is essential. A sales promotion calendar set up for the year will help you insure that timing and coordination are maintained. It should contain the dates various types of sales promotion efforts are to begin and end.

## SUMMING IT UP

To sum it up, if you want business, you must "stand up and holler." (REPEAT VISUAL 7-1, "STAND UP AND HOLLER.") That's what sales promotion is all about. It *embraces all business activities that are intended to influence sales*—those conducted outside the place of business and those carried on inside.

*Outside activities* like newspapers, direct mail, and handbill advertising draw people toward the product in the place of business. *Inside activities*, such as window and interior displays, highlight the product, making it move, in a sense, toward the people.

*Management decisions* must be made when dealing with sales promotion as they must when dealing with any function of a business. Here, these decisions have been discussed as six actions to take in connection with sales promotion. They are (1) determine policy, (2) analyze the market, (3) decide what to promote, (4) decide where to promote, (5) decide how much to spend, and (6) decide when to promote.

In *determining policy*, you should think of your firm's image and how to convey that image to the customer. This is important in planning promotion for special sales events as well as for your regular, day-by-day business.

An *analysis of your market* involves: (1) Mapping out its geographical boundaries, (2) trying to estimate its potential, and (3) obtaining information about the people who live there in order to help you to please them better.

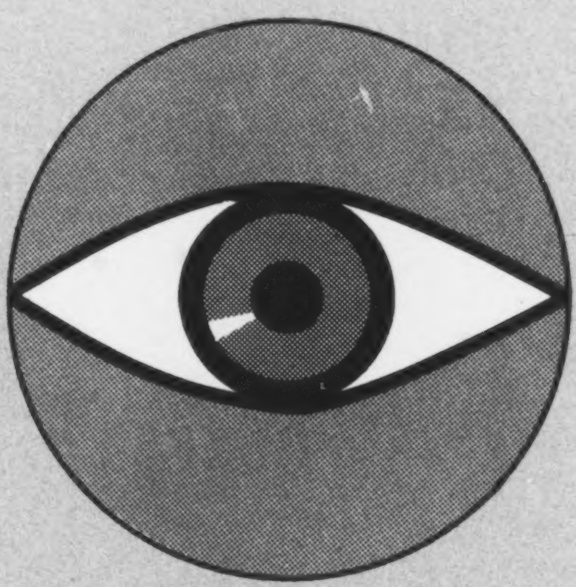
What will please your customers tells you *what to promote*. It will guide you in deciding what theme to use, to what buying motives you should appeal, and what quantity of merchandise to promote.

The decision about *where to promote* depends upon the nature of the merchandise you are promoting, the quantity of that merchandise, and the amount of money you plan to spend for the promotion. Outside media and inside media should be coordinated effectively in promoting all sales events. While much thought and effort are spent on the best way to promote sales events, you should not lose sight of the need for continuous sales promotion and of the many different ways in which it can be accomplished.

*How much to spend* for sales promotion is a vital decision to make. Plans for this should be made on an annual basis. This requires that records be kept of past performances. Results of sales promotions should be carefully evaluated in the light of their costs.

*When to promote* involves consideration of the frequency of sales events, your customers' buying habits, and your past experience. It is wise to set up a sales promotion calendar a year in advance to help maintain the right timing for sales promotion activities.

These management decisions concerning sales promotion must be the right ones because sales promotion is such an essential part of your business.



# THE VISUAL AIDS

## *A What to Show*

## Section

The old Chinese proverb **"One See Worth Thousand Say"** is certainly borne out by experience in the fields of education and training at all levels.

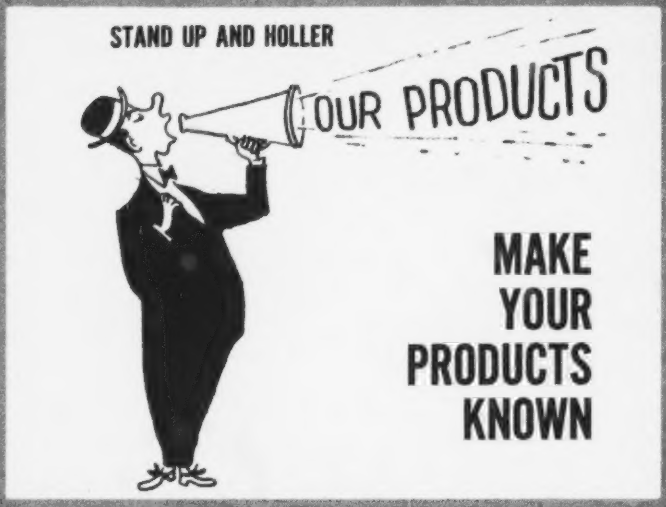
The instructor who helps his participants visualize subject matter and ideas not only holds the group interest--he also stimulates thoughtful consideration and retention of the topic.

This section contains samples of visuals that are available for this subject. Each has been carefully coded and "keyed" into **The Lesson Plan** as outlined in this manual.

# USE OF VISUAL AIDS

| WHAT TO USE | WHEN AND HOW TO USE |
|---|---|
| ***Chalkboard***<br> | Study and plan before a meeting what to put on the board and where to put it. Use it to present sketches, diagrams, outlines, definitions, key words, directions, record of class contributions, and summaries.<br>Suit material to board space.<br>Write plainly and quickly.<br>Keep wording simple.<br>Stand at one side of board while referring to material.<br>Talk to the group, not to the board.<br>Erase material no longer needed. |
| ***Posters, Charts, and Diagrams***<br> | To arouse interest and attract attention; to show relationships and trends; to inspire group.<br>Use device large enough to be seen.<br>Post where everyone can see.<br>Present at right time.<br>Discuss information illustrated. |
| ***Hand-Out Materials***<br> | To present information uniform in character and as a guide to material covered; emphasize key points; arouse interest and discussion; review or summarize discussions; and serve as permanent reference.<br>Select to serve a definite purpose.<br>Introduce at right time.<br>Distribute in manner to convey its importance.<br>Direct members how to use. |
| ***Films and Film Strips***<br> | Present an overall view; introduce a new subject; emphasize specific aspects of a subject; arouse interest; summarize.<br>Select carefully to relate to the discussion and plan presentation. Arrange room and equipment for showing. Alert the audience for the showing or what will be seen. Run the film. Discuss the subject matter and summarize. |
| ***Samples, Forms, and Exhibits***<br> | Keep subject matter practical; show development of a process; increase understanding.<br>Select only enough to illustrate, not confuse.<br>Pass around if necessary.<br>Take time to present clearly.<br>Comment when presenting. |
| ***Pedestal Chart***<br> MAKE it Count | A pad of newsprint sheets or similar paper may be used for the same purposes as the chalkboard. Material recorded with chalk or crayon may be saved for future reference by the group or by the instructor. |

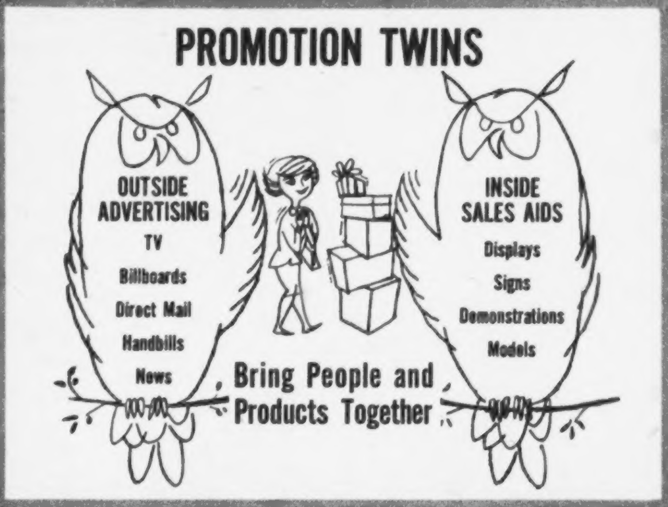
# OVERHEAD PROJECTUALS


OUR PRODUCTS

STAND UP AND HOLLER

**MAKE YOUR PRODUCTS KNOWN**

①



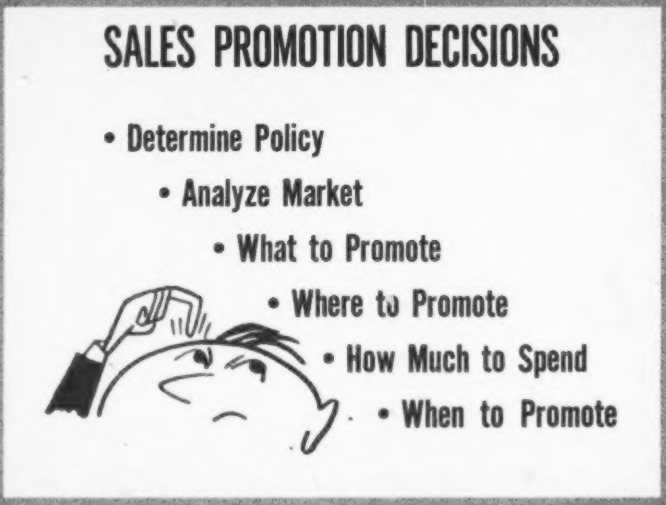
## PROMOTION TWINS

**OUTSIDE ADVERTISING**
- TV
- Billboards
- Direct Mail
- Handbills
- News

**INSIDE SALES AIDS**
- Displays
- Signs
- Demonstrations
- Models

Bring People and Products Together

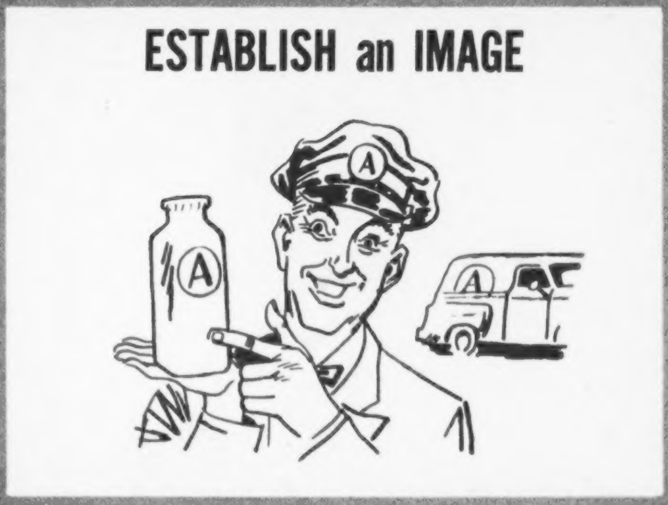
②



## SALES PROMOTION DECISIONS

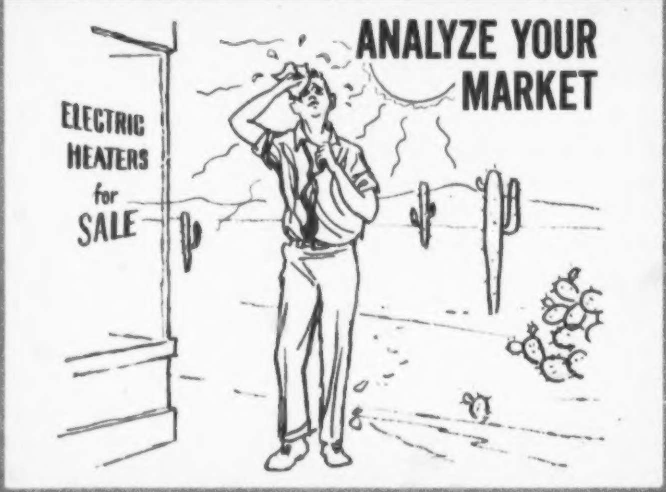
- Determine Policy
    - Analyze Market
        - What to Promote
            - Where to Promote
                - How Much to Spend
                    - When to Promote

③



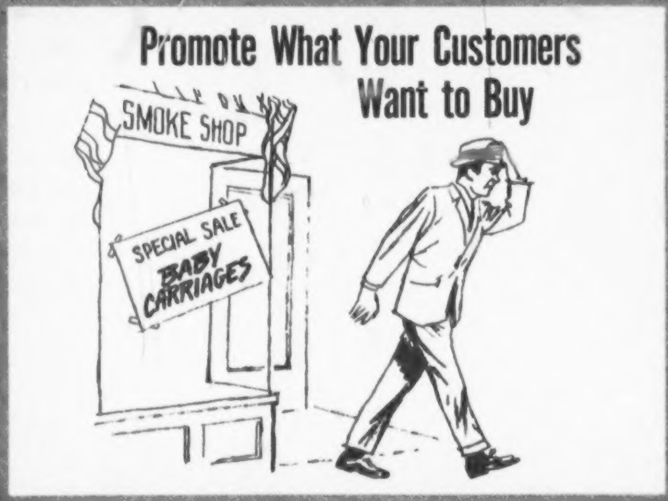
## ESTABLISH an IMAGE

④


ELECTRIC HEATERS for SALE

## ANALYZE YOUR MARKET

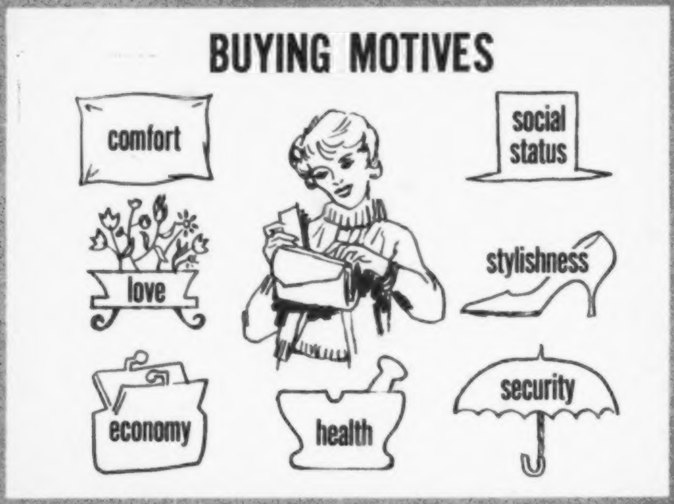
⑤

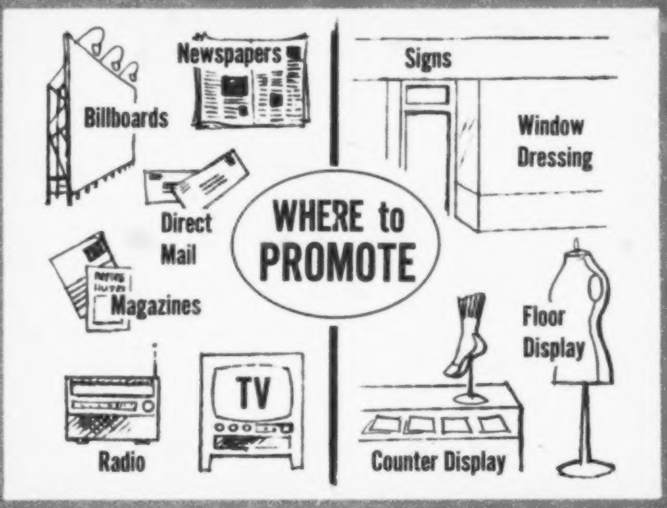

SMOKE SHOP
SPECIAL SALE BABY CARRIAGES

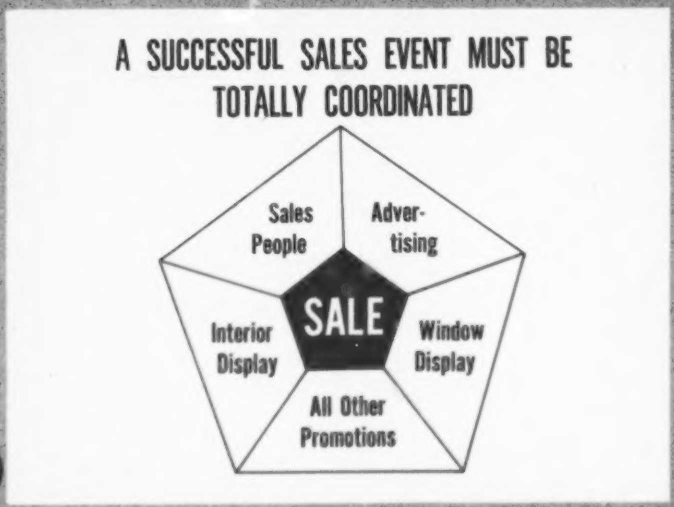
## Promote What Your Customers Want to Buy

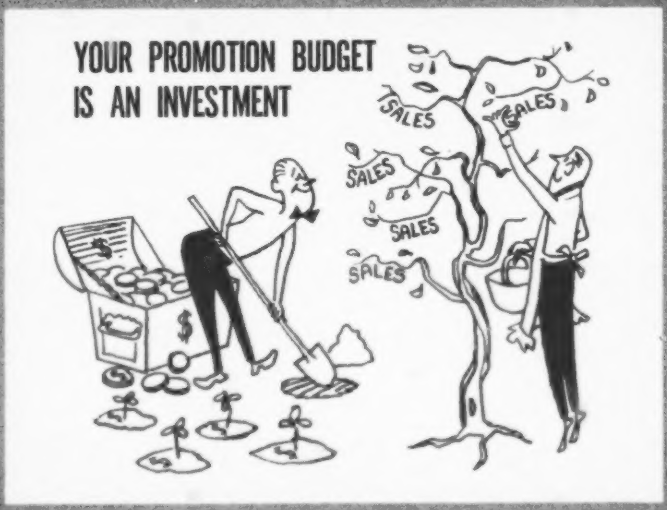
⑥

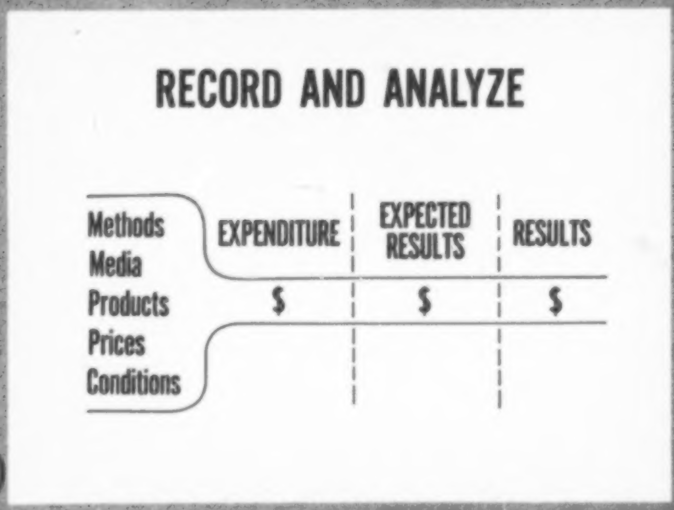
# OVERHEAD PROJECTUALS


BUYING MOTIVES
comfort
social status
love
stylishness
economy
health
security
⑦


WHERE to PROMOTE
Newspapers
Billboards
Direct Mail
Magazines
Radio
TV
Signs
Window Dressing
Floor Display
Counter Display
⑧

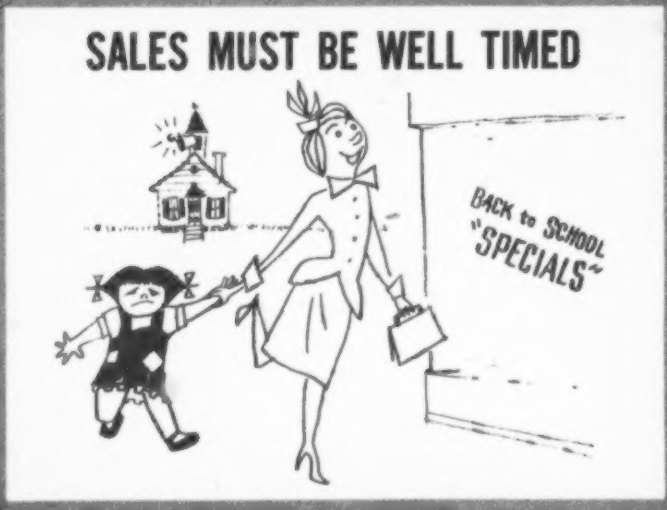

A SUCCESSFUL SALES EVENT MUST BE TOTALLY COORDINATED
Sales People
Adver-tising
SALE
Interior Display
Window Display
All Other Promotions
⑨


YOUR PROMOTION BUDGET IS AN INVESTMENT
SALES
SALES
SALES
SALES
SALES
$
$
⑩


RECORD AND ANALYZE

| Methods<br>Media<br>Products<br>Prices<br>Conditions | EXPENDITURE | EXPECTED RESULTS | RESULTS |
|---|---|---|---|
| | $ | $ | $ |

⑪


SALES MUST BE WELL TIMED
BACK to SCHOOL "SPECIALS"
⑫

TRAINING AIDS
MANAGEMENT AIDS
MENT AID
HOW TO MANAGE
TIONS
ORGANIZING SM.

# THE SUPPLY DEPARTMENT

## *A Resource Materials and Participant Handout*

## Section

It is generally conceded that interest intensifies in situations where people have a chance "to participate" by such means as open discussion and buzz sessions. The materials in this section should prove useful in this kind of activity. These materials may be reproduced locally.

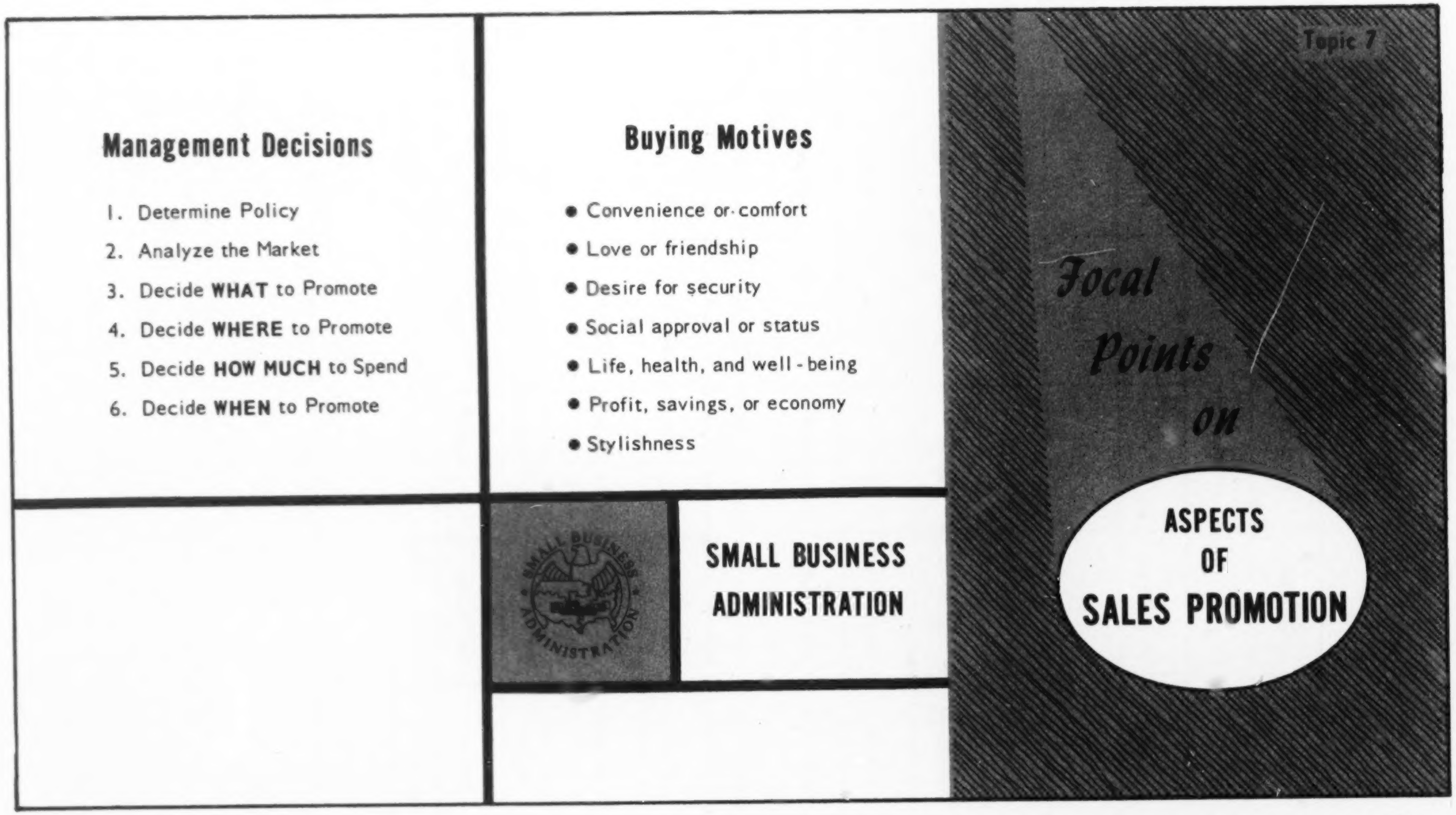
It is also desirable to provide participants with "take away" materials if they are pertinent and concise. Accordingly, appropriate Management Aids, Small Marketers Aids, and Management Research Summaries are included in this section. Current information on the availability of suggested and new SBA publications may be obtained from the nearest SBA office.

## EFFECT OF COLORED LIGHTS ON VARIOUS COLORS

| Color of fabric | Color of light | | | | | |
|---|---|---|---|---|---|---|
| | **RED** | **ORANGE** | **YELLOW** | **GREEN** | **BLUE** | **VIOLET** |
| | Makes fabric look . . . | | | | | |
| **BLACK** | Purplish black | Deep maroon | Yellow olive | Greenish brown | Blue black | Faint violet |
| **WHITE** | Red | Orange | Light yellow | Green | Blue | Violet |
| **ORANGE** | Orange red | Intense orange | Yellow orange | Faint yellow, slightly greenish | Brown, slightly violet | Light blue |
| **RED** | Intense red | Scarlet | Orange | Brown | Violet | Red purple violet |
| **YELLOW** | Orange | Yellow orange | Orange yellow | Yellowish green | Green | Brown, tinged with faint red |
| **LIGHT GREEN** | Reddish Gray | Yellow green | Greenish yellow | Intense green | Blue green | Light purple |
| **DEEP GREEN** | Reddish black | Rusty green | Yellowish green | Intense green | Greenish blue | Dark-purplish green |
| **LIGHT BLUE** | Violet | Orange gray | Yellowish green | Green blue | Vivid blue | Blue violet |
| **DEEP BLUE** | Bluish purple | Gray, slightly on orange | Green slate | Blue green | Intense blue | Bright-blue violet |
| **INDIGO BLUE** | Deep bluish purple | Orange maroon | Orange yellow (very dull) | Dull green | Dark-blue indigo | Deep-blue violet |
| **VIOLET** | Purple | Red maroon | Yellow maroon | Blue-greenish brown | Deep-bluish violet | Deep violet |

SOURCE: Adapted from *Visual Merchandising*, Distributive Education Service, State Department of Education, Richmond, Virginia.

Handout No. 7-1



## Management Decisions

1. Determine Policy
2. Analyze the Market
3. Decide **WHAT** to Promote
4. Decide **WHERE** to Promote
5. Decide **HOW MUCH** to Spend
6. Decide **WHEN** to Promote

## Buying Motives

- Convenience or comfort
- Love or friendship
- Desire for security
- Social approval or status
- Life, health, and well-being
- Profit, savings, or economy
- Stylishness

**SMALL BUSINESS**
**ADMINISTRATION**

Topic 7

*Focal Points on*

**ASPECTS**
**OF**
**SALES PROMOTION**

This page and the following illustrate a two-fold leaflet which summarizes the subject presentation. The leaflet is available in quantity from the nearest Small Business Administration office for distribution to participants in SBA-cosponsored administrative management courses.

## CONSIDER THE CUSTOMER!
## THEN OFFER --

- The Right Merchandise
- At The Right Price
- At The Right Time
- Of The Right Quality
- In The Right Quantity
- In The Right Fashion
- For The Right Market

## SALES PROMOTION INCLUDES
## THE USE OF --

**Outside Media**

- Newspapers
- Direct Mail
- Handbills
- Telephone Yellow Pages
- Billboards
- Radio Or Television

(Use any of these
which are effective for you)

**Inside Promotion**

- Window Displays
- Interior Displays

## TO HELP IN PLANNING
## PROMOTIONS AND BUDGETS –

**Keep Records
On Sales Events –**

- Date Sale Was Held
- Theme Used
- Weather Conditions During The Sale
- Expected VS. Actual Sales
- Kinds Of Merchandise You Promoted
- Their Sales Prices

## PROMOTION CALENDAR

| *Date* | *Day* | *Colors* | *Motif* |
|---|---|---|---|
| **January 1st** | New Year's Day | Apple green and white | Father Time, babies, hourglasses |
| **February 12th** | Lincoln's Birthday | Red, white, and blue | Flags, portraits, log cabins |
| **February 14th** | St. Valentine's Day | Red and white | Hearts, cupids, arrows |
| **February 22nd** | George Washington's Birthday | Red, white, and blue | Pageants, cherry trees |
| **March 17th** | St. Patrick's Day | Green and white | Shamrocks, harps, shillelaghs |
| **March 21st** | First day of spring | Coral, apple green | Birds, flowers, butterflies |
| **Date varies** | Easter | Violet and white, Purple and white | Chickens, rabbits, birds, butterflies |
| **April 1st** | April Fool's Day | Yellow and red, Yellow and blue | Jesters, fool's caps, bells |
| **April 26th** | Confederate Memorial Day | Red, white, and blue | Wreaths, flowers |
| **May 1st** | May Day | Any pastel shades | May baskets, Maypoles |
| **Date varies** | Mother's Day | Red and white | Carnations |
| **May 30th** | Memorial Day | Red, white, and blue | Flags, wreaths |
| **June** | Bridal season | White and nile green | Bells, rings, confetti, bride and groom |
| **June 14th** | Flag Day | Red, white, and blue | Flags |
| **Date varies** | Father's Day | Blue and white | Pipes, fishing poles, lawn mowers |
| **June 21st** | First day of summer | Any pastel rainbow shade | Birds, flowers, butterflies |
| **June** | Graduation | School or college colors | Diplomas, caps, and gowns, books, owls |
| **July 4th** | Independence Day | Red, white, and blue | Flags, shields, fireworks |
| **July** | Vacation | Cool pastel shades | Baggage, seashore, parasols, beach scenes |
| **First Monday in September** | Labor Day | Red, white, and blue | Various workers' tools |
| **September** | School opening | School colors or fall colors | Blackboards, slates, books |
| **September 21st** | Autumn | Reds, browns, yellows | Autumn leaves, chrysanthemums |
| **October 12th** | Columbus Day | Red, white, blue * | Ships |
| **October 31st** | Halloween | Orange, black | Witches, cats, hats, owls |
| **November 11th** | Veterans' Day | Red, white, and blue | Flags, poppies |
| **Last Thursday in November** | Thanksgiving | Red, burnt russet, orange, light orange | Turkeys, horns of plenty |
| **December 21st** | First day of winter | White | Icicles, snow-covered branches |
| **December 25th** | Christmas | Red and green | Santa Claus, holly, bells, candles |

* (combined, if desired, with green, red, and white - Italian colors)

SOURCE: Adapted from *Visual Merchandising*, Distributive Education Service, State Department of Education, Richmond, Virginia.

*Competitive Strategy*

SMALL BUSINESS ADMINISTRATION
U. S. Government Agency

SMALL MARKETERS AIDS **No. 111**

Washington, D.C.

# INTERIOR DISPLAY: A WAY TO INCREASE SALES

By **Gabriel M. Valenti**

Managing Director, National Association of Display Industries, New York, New York

SUMMARY

Interior displays should be designed to sell merchandise. To be effective, they must attract the eye and turn store traffic into "stoppers"--individuals who stop and examine the goods.

This Aid discusses four ingredients which are necessary for building a display: fixtures, color, signs, and lights. It points out that the difference between a commonplace display and an outstanding one is often slight. Many times that difference consists of the right decorative touch--one which, like frosting on a cake, helps to tempt buying appetites.

Small retailers who fail to set up good interior displays are missing opportunities for increasing their sales. One chain of department stores, for example, gets 50 percent of its sales volume from special displays. In a group of assorted independent stores, 1 out of 4 sales are made because of the way merchandise is presented in displays, according to a survey which the National Retail Merchants Association sponsored.

The kinds of displays you use in your store depend, of course, on the types of goods you handle and on the amount of available space, and other considerations, such as budget and personnel to do the job. This Aid discusses several aspects of interior display which might be helpful as you think about making your merchandise presentation as effective as possible.

## TURNING SHOPPERS INTO BUYERS

When you present your merchandise by putting it out where people can see it, your goal is to turn store traffic into shoppers and shoppers into buyers. Whether you do it depends on the kind of display you use.

Sometimes a shopper merely looks at a display in passing. It attracts her eye but does not make a strong impression.

However, a good display will turn many of these lookers into "stoppers"--people who pause and study the displayed merchandise. And some of the traffic that uses the store as a short cut may stop to look at an outstanding display.

- Background Increases Pulling Power

Often the difference between a passable display and one that makes a big impression on customers is slight. Students at New York University's Institute of Retail Management saw this fact in action when they ran a test in a suburban store.

They set up an ordinary display of three mannequins with no decorative background. The figures wore medium priced dresses and stood on platforms in a prominent location on the selling floor. Many women passed the display without noticing it.

Then the students dressed up the display. They draped green fabric behind the mannequins and set a floral arrangement in the center of this new background. They used no special lighting. These materials cost $30.

What happened when they added this small, and relatively inexpensive imaginative touch? It was like adding frosting to a well-baked layer cake. An ordinary-looking display was turned into an outstanding one which shoppers began to notice. And many of them stopped to study the dresses.

In fact, "lookers"--shoppers who turned to look as they passed--increased by more than 60 percent when the display was dressed up with the decorative background. And "stoppers"--individuals who stopped and examined the dresses--increased by almost 80 percent.

Interviews with customers revealed that more than 75 percent of them did not have the dress department in mind when they entered the store. They were shopping for other items or were looking around.

- What Good Display Does

The display you've just read about did several things for the store. First, it showed the merchandise--dresses--to shoppers at the place where it counted--on the selling floor.

It told shoppers precisely what the store was featuring--and in what styles, sizes, materials, colors and prices. (The sign helped to convey this information.)

The display gave drama, excitement, and sales appeal to the medium-priced dresses. As part of a long-range program, such outstanding displays can also build a steadily growing impression on customers and prospects--impressions of quality, style, leadership, or price, for example.

Good presentation of merchandise can make shopping easier. A case in point is the chain of department stores which was mentioned at the beginning of this Aid.

That organization's stores do more than 45 percent of their week's volume in less than 12 hours. During that time, proper merchandise display does a major portion of the selling job because salespeople are swamped with customers and cannot sell each one. In this case, displays cut selling time of salespeople whom customers usually outnumber by 10 to 1.

## BLENDING THE INGREDIENTS

Good interior display involves the proper blend of several basic ingredients. The ingredients you use to make a display which will present your merchandise attractively are: (1) fixtures, (2) color, (3) signs, and (4) lights.

### • Fixtures That Display

Fixtures should show your merchandise in the most advantageous manner. Although the type of fixtures you use depends on the kinds of goods you sell, you may find this rule of thumb helpful: The most practical and economical fixture is one that permits you to display goods in the proper arrangement for each category or line with the least distracting elements and at the maximum exposure.

For example, cellophane bags of apples can be arranged properly in stacks on a float or table. Nothing else is needed other than a price sign. On the other hand, a proper arrangement of shirts has to be one which considers sizes. If you sell twice as many size 16 as 14, for example, your fixture should take that fact into account.

An example of a distracting element might be a moving display near a book counter. The motion keeps pulling the customer's eye away from the books he's trying to examine.

The following questions may be helpful in selecting and using fixtures to achieve an effective presentation of merchandise:

What sort of merchandise do you plan to display on the fixture?

How much area will you allot on each fixture level--deck, counter top, shelf or rack--for each category of merchandise to be displayed?

In order to stimulate buyer attention and at the same time make selling easy, what is the best kind of fixture? For example: Do you need bargain tables, platforms, counters, cardholders, displayers, forms, or mannequins? Or do you need fixtures which will allow for each restocking of sizes--fixtures, such as showcases, gondolas, racks, wall cases, or island cases?

If you use shelves for display purposes, what size do you need to hold the merchandise, its assortment, package or container?

What changes might occur because of seasonal or promotional shifts? Can you rearrange the unit or section of the fixture to meet such changes?

How can you get the best possible sales volume per square foot of display space? How much merchandise exposure can the fixture give per dollar fixture expenditure? Bear in mind that a well-designed, efficient fixture, which gives maximum exposure of goods is cheaper in the long run than a lower-priced fixture which does not allow for effective display. The efficient fixture helps to bring the biggest sales turnover.

Closely tied in with the proper fixtures is the matter of floor selling space. Good displays on proper fixtures lose their eye-catching appeal if they are crowded together. The following questions should be helpful in checking your floor space and arrangement of fixtures:

Are aisles small and crowded so that shoppers cannot see the goods?

What should your traffic flow pattern be?

What are best locations for departments--if you handle several kinds of goods?

What is the best location for a category of goods within the department?

Are related merchandise items adjacent?

### • Color Helps To Set Buying Mood

In the most effective interior display, color--and the atmosphere which it can help set--must be considered from the start. The colors of walls, overhead, and floors and fixtures must blend into the display--or, if done effectively, contrast with it.

You may want to repaint certain areas in your store in order to tie them in more effectively with the goods you display there. Or a different color or decorative backgrounds might be needed on some of your present display fixtures.

The following facts should be helpful when you think about color in connection with fixtures and selling space:

Usually strong contrasts and loud colors should be avoided. Bright shades get attention but they also can overpower the merchandise.

Background colors should suit and blend with the merchandise displayed. Try to use families of colors which will be tone in tone with the merchandise. For example, use beige, cream, and ivory with brown.

If you sell ready-to-wear, fashion accessories, or home furnishings, you have a special need for careful color planning. Color enhances high fashion and high-quality merchandise and is vital in motivating the shopper to buy. You may want to feature one color which has been dictated by the current fashion trend. Sometimes you may want to highlight a family of colors.

Color can give the illusion of greater size and can offset objectionable physical factors. For example, light shades add depth to a small space. Dark shadows help to make a large space look smaller.

Soft pastel shades are always popular for overall store decor, with darker colors favored for accents.

Color also helps to add an imaginative touch to a display. One way, for example, to create the impression of fun at the beach is by using light, gay colors in a display of bathing suits.

In experimenting with color, you'll want to keep in mind that higher priced merchandise is best displayed in more refined color arrangements, such as blues, greens, grays, and blacks. And if you are handling low-priced bargain items, the vivid shades of yellow, orange and red combined with whites are best for achieving the right decorative touch.

For additional information on color you may want to read "Color Can Stimulate Sales," *Small Marketers Aids* No. 85, available free from SBA offices or the Small Business Administration, Washington, D.C. 20416.

### • Signs Tell The Story

Signs do the talking for a display. They give significant details about the article, such as size, styles, colors. Thus, as silent salesmen, signs answer customers' questions about price, features, and tell where the goods are located in the store.

The following suggestions may be helpful in thinking about the signs you use on your interior displays.

(1) Make your signs informative. The wording should be compact and, when possible, sparkling.

(2) They should look professional. Compact printing machines are available if you prefer to do your own signs.

(3) See that they are not soiled or marred. Nothing spoils merchandise quicker in the customer's eyes than a soiled sign.

(4) Keep signs timely by changing them often.

(5) Try to make your signs sell customer benefits rather than things. Signs, for clothes, for example, should sell neat appearance, style, and attractiveness rather than utility. For furniture, they should sell home life and happiness rather than just lamps and tables.

### • Lights Emphasize Merchandise

Lights are the fourth ingredient in an effective display because, among other things, lighting makes it possible for customers to see the merchandise. It should make goods so visible that the shopper can see what she needs to see clearly and quickly. Display lighting should also be dramatic. Stores that rate highest use theatrical type lighting, with spots and color filters, to set mood and atmosphere for the shopper.

Lighting should not call attention to itself. Rather it should minimize distractions from the displayed merchandise. Glaring lights not only take the shopper's attention away from the goods but can also cause her discomfort. When she adapts her eyes to overly bright lights, the shopper partly blinds herself to the merchandise.

In many cases, the store's general lighting should be non-uniform to accent selling space. Display lighting in the selling areas should make the merchandise stand out. Such lights can vary according to the types of goods on display.

For example, a concentration of light from incandescent bulbs tends to reveal the form, texture and polish of surfaces more effectively than diffused lighting, such as that from fluorescent tubes. However, incandescent lighting tends to create harsh shadows and is high in heat content.

Display lighting should also show the merchandise in its true colors. A dark green item, for example, should not appear to be black under lights. Incandescent lamps are good for rendering colors favorably. You can also use two fluorescent lamp colors--deluxe cool white or deluxe warm white. In rendering colors favorably, cool white fluorescent gives a light that comes close to the color-rendering properties of natural daylight. Deluxe warm white is more like incandescent.

Incandescent and fluorescent lighting should meet most of your needs for lighting merchandise so that it can be viewed under true and realistic conditions. Cost is not the main consideration in lighting goods, but you may want to remember that fluorescent tubes give twice as much light as incandescent for half the cost in electricity.

## USING PROFESSIONAL HELP

Building effective displays is a complicated affair, and most stores that can afford the cost use professional help. To keep interior displays lively and compelling, they hire display personnel on a full-time or part-time basis.

In some areas, you may be able to use a free-lance displayman who probably works for several merchants. You may be able to use a display employee from a friendly competitor. Another source of part-time help might be the commercial art or distributive education departments in local schools.

Suppliers of consumer goods generally offer display assistance, materials, props and fixtures. Take full advantage of these sales aids. Sometimes suppliers will even give advice on specific display needs and techniques, especially when doing special promotions or when installing displays in your store.

Keep in mind also, that manufacturer-supplied displays are the result of talented design and engineering. For example, color is expertly chosen to set off the merchandise. Such displays are available at limited or no cost to retailers.

Still another source for display assistance, is the local or nearby supplier of display materials and fixtures. He, or his representative, can often give you ideas and supply you with the latest materials--items ranging from inexpensive artificial flowers to especially built displays. In large cities, these companies often maintain showrooms in which you can look for ideas and materials.

## PUTTING ON THE FROSTING

Whether you do your own interior display work or get outside help, you should keep one thing in mind. An effective display is made up of two things: the functional and the decorative. The functional is like a well-baked cake, and the decorative is like the frosting.

The frosting attracts the eyes of store traffic and tempts buying appetites. It can be achieved, for example, by adding a backdrop to accent the merchandise. Or the added "touch" can be a storewide theme such as during Christmas.

So, look for ways to influence people to stop and examine your merchandise. One way is to study how other merchants in your area do it. Another way is to look for display tips in your trade magazine or from trade associations.

Often a functional element can also be used to add a decorative touch to a display. For example, you can use lighting to dramatize merchandise in addition to making it more appealing.

Variations in brightness patterns is the key. By varying your brightness patterns you can: (1) call attention to the merchandise, (2) add a dramatic touch to the display setting, and (3) cut down on monotonous patterns.

Sometimes you can add enough drama so that the shopper carries away a subconscious impression of the merchandise even though she does not buy. For instance, you display a rhinestone bracelet on a piece of black velvet under a spotlight which throws the stones into dazzling relief.

Whether your merchandise is bracelets, lawnmowers, or something else, the trick is showing it off at its best. Try to put yourself in the customer's place and answer the question: What little touch would catch my eye if I were walking through this store?

## FOR FURTHER INFORMATION

Businessmen interested in exploring further the subject of interior display may be interested in the following references. This list is brief and selective. However, no slight is intended toward authors whose works are not mentioned.

*Dynamic Display - Technique and Practice.* Frank J. Bernard. Rev. 1962. $10. The Display Publishing Company, 407 Gilbert Ave., Cincinnati, Ohio 45202.

"New Light on Display." *Display World,* January 1964. 60 cents per copy; $6 per year. The Display Publishing Company, 407 Gilbert Ave., Cincinnati, Ohio 45202.

*Modern Display Techniques.* Emily H. Mauger. 1964. $8.50. Fairchild Publications, 7 E. 12th St., New York, N.Y. 10003.

*Recommended Practice for Lighting Merchandising Areas.* 70 cents. Illuminating Engineering Society, 345 E. 47th St., New York, N.Y. 10017.

*Advertising at the Point-of-Purchase.* Association of National Advertisers, edited with cooperation of the Point-of-Purchase Advertising Institute. 1957. $7.50. McGraw-Hill Book Co., Inc., 330 W. 42nd St., New York, N.Y. 10036.

"Store Fixture Layout Seminar." R. J. Larson, L.A. Darling Company, 606 N. Matteson St., Bronson, Mich. Information on store fixturing and layout obtainable by writing to Mr. Larson.

The following materials can be obtained free from the National Association of Display Industries, Hotel Governor Clinton, New York, N.Y. 10001:

Reprint of "America's Best Kept Secret--Why Should I Buy." *Department Store Economist,* September 1964.

Reprint of "The Vital Role of Visual Selling." *Department Store Economist,* September 1964.

"The Display Buyers' Guide" (a list of display producers and distributors).

SMALL BUSINESS ADMINISTRATION
U. S. Government Agency
SMALL MARKETERS AIDS No. 80
Washington 25, D. C.

# BUILDING SALES TO YOUNGER CUSTOMERS

By *S. E. Mahle*, President, S. E. Mahle Associates, Sales Training and Consulting for Retail Merchants, Winchester, Massachusetts

SUMMARY

Younger customers are an important source of sales increases for two reasons. First, they are growing in numbers, and second, younger customers are consumers whose needs increase as they grow up, marry, and assume family responsibilities.

Two groups make up this market: (1) teenagers from 15-19, and (2) young adults from 20-24. Whether a small marketer can sell directly to the teenage group depends, to a great extent, on the type merchandise he offers. But even though not all can sell directly to them, some small marketers can increase their sales indirectly through the influence that teenagers exert on the family's purchases.

In building sales to younger customers it is helpful to know: what teenagers are like, what they expect from adults, and what changes take place as they finish school, marry, and have children of their own.

Two groups make up the younger customers. Some observers characterize one part of this market as boys and girls who "enjoy spending money." A frequent comment made by members of the other group is, "we need everything."

The first group of younger customers runs from about age 15 through 19. These teenage customers--boys and girls who "enjoy spending money" grow up into the second part of the younger customers market.

The second group--the "we need everything" consumers--consists of young adults from about age 20 through 24.

This Aid emphasizes the younger group because cultivation of these consumers can mean three things. First, some small marketers can increase their present sales by selling directly to teenagers. Second, other small marketers can increase their sales through the influence that teenagers exert on the family's spending. And third, in some cases, small marketers can build loyalty that will mean increased future sales--sales when these boys and girls grow into the young adult group.

## TEENAGE BUYING POWER

Teenagers are a growing market. About 15 million of them are spending nearly $10 billion a year. Indications are that by 1970 this group--15 through 19--will grow to about 19 million persons.

The average teenage income varies from $10 to $15 a week. In 1940, this weekly average was about $2.50. In most cases, there are no strings attached to this income. It is 100 percent expendable because these boys and girls pay no taxes, insurance premiums, rent, or grocery bills. Their parents provide such necessities.

Furthermore, these young people like to spend their money. They also like to help their parents spend and exert a tremendous influence on what the family buys.

For example: their opinions as to cars, furniture, appliances, TV sets, outdoor yard equipment, and recreation accessories carry great weight in the spending of the family budget.

The extent to which the individual marketer can cash in on this market depends, of course, on his situation and his type business. It depends also on knowing something about teenagers and understanding some of the reasons why they buy as they do.

## WHY TEENAGERS BUY

Four characteristics tend to make teenagers into fad buyers and impulse buyers. The average teenager is, in varying degrees: (1) self-centered, (2) a conformist, (3) materialistic, and (4) a pursuer of happiness.

### • Self-Centered

Most teenagers are self-centered. One of the biggest reasons is that they are in between childhood and adulthood.

Being acutely aware of themselves is part of the awkwardness of adolescence. However, since World War II, prosperity and an increasing number of teenagers has helped to make these young people even more aware of themselves, not only as individuals but also as a group.

### • A Conformist

Although teenagers are self-centered, they are also conformists. They want to be part of their group.

In fact, most of them strive for conformity. They tend, to a great extent, to express their individuality as a group-individuality.

For instance, if football players wear a certain kind of shoes, the other students wear them too. The reason: They feel awkward and don't want to stand out as being different from their crowd.

### • Materialistic

Material "things" are important to teenagers. Often they express themselves through such objects. For instance, a high school boy expresses his ability by rebuilding a jalopy. And many girls express their taste by collecting records.

This use of material objects for self-expression often spills over into the family. For example, the boy with the jalopy, in many cases, feels that the family car should be the latest model--one that indicates a successful father.

The importance which these young people place on material objects varies, of course, with individuals and various groups of teenagers. However, this materialism is important because, among other things, it is closely related to another facet of the teenage make-up--the pursuit of happiness.

### • "The Pursuit of Happiness"

All age groups pursue happiness, but the teenage group tends to emphasize enjoyment more than some of the other groups. There's nothing wrong with this because many teenagers are serious workers in school, and some save part of their spare-time earnings for college expenses.

Often this enjoyment takes the form of using consumer goods, such as food. These boys and girls not only like to eat, but their growing bodies demand more calories--about 20 percent--than do those of adults. So many teenagers are in-between-meals eaters. They consume large amounts of hamburgers, hot dogs, candy, ice cream, and soft drinks.

These young people also like to be entertained. They like movies, television, radio music, records, and certain kinds of magazines.

This need for enjoyment, along with the need to conform, makes the average teenage buyer one who purchases on impulse. And many of his or her impulse purchases are fad items.

## CULTIVATING TEENAGE CUSTOMERS

As with customers in other age groups, the first requirement in cultivating teenage customers is stocking goods that appeal to them. Not all small marketers can do this. For example, most teenagers aren't interested in buying vacuum cleaners, refrigerators, and other household furnishings.

But even so, if you carry lines, or can add lines, that appeal to this group, you may be wise to review what these boys and girls expect from adults--especially from merchants.

First, teenage buyers like to be treated as adults. They like to talk about their interests. They want to express their opinions and resent your referring to them as "kids."

Second, they want to be catered to. They want to be waited on in their turn. They are more sensitive, in some cases, to being passed over than adults are.

Third, these buyers want fast service. They like to finish one thing and move on to another. They quickly become impatient at unnecessary delays. For instance, slow speech sometimes makes them impatient so that merchants would be wise to talk a little faster than normal when addressing them.

Fourth, these boys and girls like personal recognition. If your operation is such that you know their names, speak to them by name in the store and on the street.

And finally, teenage buyers like informality. However, at times they are easily embarrassed. So don't say or do anything that might embarrass them or make them feel that you are intruding. And above all, resist the temptation to act as young as they are.

### • Eight Specifics

Keeping in mind what teenagers are and what they expect as buyers, there are at least eight specific things which small marketers can use to build sales to these younger customers. How many and exactly how you can use them depends, of course, on your situation.

(1) Cultivate the leaders. Sell teenage leaders--the athletes, cheerleaders, and class officers--and you improve your chances of selling to the group. Some retailers send such leaders a note of congratulation after an important game or other school event.

(2) Use fashion panels. If you sell clothing or other fashion merchandise, you may want to set up a student panel as a way of getting

ideas about their opinions and tastes. Include some followers along with the leaders.

(3) Attend their public functions. In small communities and in locations with only one high school you may want to attend school events. If so, try to buy your tickets in advance. Buy from a different student each time, if you can, so you'll get to know more of them.

(4) Advertise in high school publications. Make your advertisement appealing to high school students.

(5) School windows. Some marketers feature school activities in their window displays. They show drawings, vocational arts work, and so on along with related merchandise. Windows can also be used for recognizing the athletic teams, cheerleaders, and officers of student organizations.

(6) Offer part-time employment. Some small retail establishments employ high school students on the weekends. Ice cream stores, soda shops, and other eating places frequented by teenagers are naturals for this type employment.

(7) Build a mailing list of members of the junior and senior classes. Before Christmas, Father's Day, and Mother's Day send them a letter offering gift suggestions.

(8) Send the class officers flowers at Junior and Senior prom time--bouquets for the girls, boutonnieres for the boys.

If you sell items that this group will need in early adulthood, you will want to do one more thing. Each spring work up a list of the names and addresses of the graduating class. Use a card for each person so you can sort them later.

## FOLLOWING TEENAGERS INTO ADULTHOOD

With graduation from high school, teenagers move into young adulthood pretty rapidly. Some of them go to work, some go to college, and some get married.

Going to Work. About 25 percent of the high school graduates across the country go to work. Now they are earning their own money on a full-time basis. Many of these young people stay at home--or close by--so you still have a good chance of selling to them. File your address cards for this group together.

Going to College. About 40 percent of those who finish high school throughout the country enter college. They'll buy things to take with them, and some of them may also buy from you when they're home on visits.

So when they're in town for holidays and vacations, remind them of your store. Use your card file and send them a card. Or in your advertisements invite them to come in and say hello.

Try to keep your store image before them because some of these young men and women will return home to work after college graduation. Often they become big earners and community leaders who can be among your best customers.

And don't overlook the ones who enter local colleges. They are good prospects for items that go with college life.

Getting married. According to national averages about 25 percent of the teenagers get married shortly after finishing high school. More than 33 percent of the 3 million persons who marry each year are 18 or 19 years old.

These people enter the "we need everything" group quicker than the young people who go on to college. So be alert for them. For some types of business, they may already be good prospects because the owner was able to win their friendship in earlier years.

## CASH REGISTERS AND WEDDING BELLS

The bride-to-be begins to need a variety of merchandise almost as soon as her engagement is announced. She needs wedding invitations, a bridal costume, and going-away clothes.

If you have merchandise that she needs, her wedding bells can make your cash register ring. As soon as a young woman announces her engagement you can start a sales campaign with her and her friends. Three suggestions may be helpful.

(1) Send her a card congratulating her. You might want to ask her to bring it in for a gift.

(2) Ask her to select items in your store that she would like for wedding presents.

(3) You may want to telephone or write the mother, listing the items her daughter has selected. If the mother doesn't offer to mention your store, you may want to ask her to do so when she talks with friends, who ask about wedding presents for the daughter.

Finally, a week or so after the wedding get the bride's new address from her mother. You'll want to keep reminding this young woman of your store as she moves into the last stage of the younger customers market--the young homemakers.

## YOUNG HOMEMAKERS

Presently new brides and their husbands are entering the young homemakers market at the rate of about 3 million a year. Predictions are that by 1970 there will be around 2 million marriages per year, or 4 million brides and bridegrooms, in this country.

These young adults are on the edge of the "we need everything" market. That is they need many things as they move out to themselves, but they also continue to do a certain amount of pleasure spending.

They have now become self-centered as a couple. They spend money for pleasures they can enjoy together--movies, bowling, ballgames, concerts, and so on.

Depending on what you are selling, these newly married people are potential customers for two kinds of merchandise. First, of course, they need furnishings and other items for their new household. Second, they still want merchandise and services they can enjoy together.

In most cases, they are good customers for both types of goods because both the bride and the bridegroom work. Together they have income to buy, within reason of course, what they want.

Within a few years, these newly married people are further along in the "we need everything" market. Children are beginning to come.

Their interest then changes somewhat. They are still young and will spend for pleasure, but the new baby comes first.

Here the couple's needs continue to increase as the baby grows and as additional children arrive. And the older their children become the deeper these young parents get involved in the "we need everything" section of the younger customers market.

## WHAT DOES IT MEAN?

The meaning of the younger customers market varies with the individual small marketer, of course. However, the fact that they are inexperienced buyers can work to the advantage of small marketers.

Remember that these boys and girls from age 15 through 24 are learning to buy. In some cases, they learn about quality and value the hard way as did Joe Cordovan (name disguised). When he was 16, his mother let him purchase a suit by himself.

Joe selected a loud suit of durable material because it was $15 cheaper than the gray flannel his mother had suggested. He used the savings on his jalopy. A few weeks later he became dissatisfied with the flashy suit, but he was stuck with it.

The store manager got rid of a loud suit, but he lost a young customer. He threw away his chance to bring Joe back into the store.

By helping to guide inexperienced young customers in the making of wise buying decisions, small marketers can often encourage these young people to become regular customers. So when you help these consumers--the teenagers, the young marrieds, and the young parents--to get quality and value, you are increasing your chances of building sales to younger customers on a solid basis.

## FOR FURTHER INFORMATION

Readers who wish to explore further the subject of building sales to younger customers may be interested in the references indicated below. This list is necessarily brief and selective. However, no slight is intended toward authors whose works are not included.

"The Teen-Ager: A Good Customer, A Big Responsibility," by Kay Corinth. *Stores*, September 1961. National Retail Merchants Association, 100 W. 31st St., New York 1, N. Y. $5 per year.

"Why Today's Teen-Agers Seem So Different," by Eugene Gilbert. *Harper's Magazine*, November 1959. Harper's Magazine, Harper & Brothers, 49 E. 33d St., New York 16, N. Y. $6 per year; single copy, 60 cents.

*Psychology of Adolescence*, Karl C. Garrison. Prentice-Hall, Inc., Englewood Cliffs, N. J. 1956. $6.75.

"What Is New--Home-Owner Market?" *Printers' Ink*, November 18, 1960. Printers' Ink Publishing Corp., 100 Garfield Ave., New London, Conn. $6 per year; single copy, 35 cents.

"Consumer Profiles: The Six Ages of Family," by Fabian Linden. *The Conference Board Business Record*, March 1961. National Industrial Conference Board, Inc., 460 Park Ave., New York, N. Y.

"Understanding Why They Buy," by Bertrand Klass. *Small Marketers Aids*, No. 73, November 1961. Available free from Small Business Administration, Washington 25, D. C.

Selling

SMALL BUSINESS ADMINISTRATION

SMALL MARKETERS AIDS No. 62

Washington 25, D. C.

# EFFECTIVE SALESMANSHIP IN SMALL SERVICE FIRMS

By *Einar Johnson*, Deputy Regional Director, Small Business Administration, Chicago, Illinois.

SUMMARY

A small service firm has many opportunities for creative selling, far more in fact than has the average small retailer. The serviceman gets into the house in response to a call for a particular service. He meets the customer face to face in his own home.

He has an opportunity to see just where his services are needed and what jobs need to be done besides the one job for which he was called. A well-trained serviceman, or an owner-manager who does his own work, suggests needed repairs or service, helps the customer in his decision, and winds up with higher profits and a satisfied clientele.

These sales opportunities are not limited to service firms who do their work "on location." Many opportunities exist for small firms whose work is done in their shops.

●*Homeowner Didn't Know.* Fred Patterson was like many of today's homeowners. He had grown up in a small town where, as a boy, he had been active in Boy Scouts, the Y.M.C.A., the church youth group, and in high school athletics. On Saturdays he mowed the lawn and except for occasionally washing windows or pulling a few weeds in the flower garden he was far too busy to learn anything about caring for a house.

After college he went to work in the big city, got married, lived in an apartment for a few years, and after the first child was born bought a house.

Now Fred Patterson didn't have the slightest idea of how a house was put together. He had never replaced a light switch, put a washer in a faucet, set a pane of glass, or painted a wall.

He knew how to mow a lawn and thought that he could tell the difference between a weed and a flower, (he wasn't quite sure) but the new type of furnace that the former owners of the house had installed was as much of a mystery to him as the automatic washer in the basement or the mechanism that operated the overhead door on his garage.

When his neighbors talked about weed killer, crab grass killer (pre-emergent or direct), annuals, perennials, insecticides, merion blue, pachysandra, buckhorn plantain, chickweed, pfitzers, taxus, arborvitaes, he was completely lost. After a while he learned to cope with the day-to-day and week-to-week operation of the house but when anything went out of order or needed repair he called a serviceman.

●*Chills in Winter.* The house had never been quite comfortable in cold weather. The furnace was gas fired and seemed to be working well enough and warm air did come out of the registers.

He concluded that the former owners had made a mistake, that they had bought a furnace that was too small, and that there wasn't much to be done about it except to wear sweaters on very cold days.

One day Mr. Patterson noticed that the rain gutters on his garage were rusting out. He had no idea what to do or what serviceman to call. A neighbor suggested that he call the Acme Sheet Metal and Heating Co.

## BUILDING ON SERVICE

The owner-manager of the small service firm, such as The Acme Sheet Metal and Heating Co., can specialize in service because his company is small. He can get to know his customers, and even more significant he can get to know their wants and needs. By catering to these wants and needs, he can increase the sales of his service.

●*Journeyman Turned Businessman.* Joe Oliver had started the Acme firm when he got out of the Army in 1946. Before the war he had been a sheet metal worker and he had worked for various sheet metal and furnace firms as a journeyman. His shop had prospered. He had two or three men whom he kept busy the year round on what he called "old work" or service work, and a crew of 4 to 10 who installed gutters, downspouts, and heating equipment in new homes.

●*Service Important.* Joe Oliver had a theory that the service work was important. It didn't pay as well as the new work and the dollar volume really seemed insignificant by comparison, but Joe figured that some day there might be a lull in new construction activity. He reasoned that if he built a good service business he would be able to keep operating without the new construction work.

●*Social Rewards.* Mr. Oliver also figured that he wanted to establish himself and be a permanent part of the community. He wanted the respect of his neighbors. He felt that if he did a good job with his service work and proved his reliability, he could some day drop the contract work, with its fierce competition and fast pace. He would have a sound little business that he could be proud of. And it would keep him busy without being too much of a burden as he got older and his personal financial requirements lessened.

●*"I'd Like to Tell You."* Well, Joe Oliver answered Fred Patterson's call, gave him a price on the replacement, and got the job. Before he left he turned to Mr. Patterson and said, "We also do furnace work. I'd like to tell you about our regular service. We installed this furnace for the Murphy's when they lived here, and we can take good care of it."

Betty Patterson overheard the conversation and bristled, "Mr. Oliver, I don't think you have much to be proud about in this furnace--we freeze all winter."

Joe Oliver knew the job was right and that it had worked perfectly for the Murphys. "Well now, Mrs. Patterson, I'm really sorry to hear that but perhaps if you'll let me take a look at it we can get it to working properly." He turned to Fred Patterson, "I suppose you have been changing the filters regularly?" Fred was a little nonplussed, "What filters?"

### SERVICE CONTRACTS

The end of the story is that Joe sold the Pattersons a service contract. His firm would check the furnace each year during the summer and replace the filters every three months during the heating season.

The Pattersons are warm all winter now and Joe Oliver gets a check twice a year. He has a lot of these contracts. He'll never get rich on them but they pay the salaries of 3 men and the overhead on his shop.

●*Re-selling Is Necessary.* He has to keep selling these contracts but this is not too hard to do. He has a prospective customer in a receptive mood each time he goes out on a call.

His service men--the men that do the "old work"--have been with Mr. Oliver for a long time. They know that their future depends on getting those service contracts, and they each try to sell them whenever they are on a job.

●*Extra Vacation for Sales.* Mr. Oliver ran a little contest last year during the summer months. The first prize was an extra week's vacation, the second--3 days, and the third--2 days. Each man won a prize but the winner alone got enough new contracts to make the contest profitable.

●*Only One Key.* There are similar sales opportunities in almost every service business. The locksmith who comes to repair your front door lock could, if he were alert, suggest to you that he key all of your outside locks alike so that you would have to carry only one key. The painter, the carpenter, the landscaper, the roofer, the plumber all have selling opportunities that are too frequently overlooked.

### HOW TO SELL YOUR SERVICE?

However, there are other service businesses besides those dealing with home maintenance. There is the shoe repair shop, the dry cleaner, the barber shop, the beauty shop, the service station, and many others. Of these it would seem that the beauty shop and dry cleaning shop are most alert to selling opportunities.

●*List Services.* If you are operating a service business, you would do well to make a list of the services you offer. Les Powers did just that. He called his firm the Fix-It Shop--not a very original name but an operation that was a real service to the community.

He repaired electrical appliances, toasters, irons, mixers. He had a small welding outfit and did soldering and brazing. He also repaired power and push type lawn mowers, door closers, and baby carriages. The shop was well equipped.

Mr. Powers made a list of all of the things that were repaired in the shop. He broke the list down into six sections--one list for each two months. As he looked over his records he found that most of his appliance repair business was done in the fall and winter and his lawn mower repair business was mostly done in May and June.

●*Too Many Mowers?* He also found that there were times when he had so many lawn mowers in the shop that his people could hardly move around. In breaking down his lists Les Powers determined that he would try to time his selling efforts to give better service to his customers and to level out the workload in his shop.

After he had worked up his lists on a seasonal basis he instructed the girl at the counter and his delivery man. During March and April the girl and the truck driver talked to every customer they came in contact with. They gave the customers a sales talk on the wisdom of getting their lawn mowers repaired early. "We can pick it up now, service it, and have it ready before the grass starts growing. That way you won't have to wait for your mower just when you really need it," they said.

The counter girl mentioned this when people came into the shop, and the truck driver talked when he was picking up and delivering. Les Powers also plugged this service every time he talked to a customer.

The effort was highly successful. Strangely enough the shop still had the big rush in May and June. *The selling effort resulted in plus business.*

●*Shifted to Fans.* In May and June the sales effort was shifted from lawn mowers to electric fans. Room coolers and air conditioners have reduced the number of electric fans in use. However, the records indicated that there were still many fans in the community. The selling team of two men and a girl went to work on electric fans with results equally as good as with the lawn mowers.

During July and August the drive was on door closers with the effort directed towards institutional and commercial customers. September and October were devoted to vacuum cleaners, November and December to electric kitchen appliances, and January and February to electric blankets, heaters, and so on.

The sales campaign was highly successful, but it didn't work automatically. Mr. Powers had some trouble getting his employees to maintain a high level of interest. He noted that when two or three customers in a row reacted negatively, his employees began to lose enthusiasm. In fact, they seemed to be too embarrassed to try to sell.

•*Arouses Interest.* To overcome his employees' waning interest he started a tie-in campaign of advertising in the local paper. He posted reprints of the ad in the shop. He gave each employee a badge carrying a short selling slogan on the current drive. Early each morning he gave pep talks at short meetings. He also worked at showing his employees that the results were worthwhile.

Les Powers has been at this for more than two years now. It is still a bigger job keeping his employees interested and alert than it is to sell the customer. But by keeping at it and frequently reviewing his records he proves that his selling efforts are successful, and he manages to maintain his own interest as well as keeping his employees interested.

## CREATIVE SELLING

Both Joe Oliver and Les Powers are very successful. The chances are that their shops would be successful even without the selling effort. But the creative selling effort in each case has been directed towards a definite goal.

Joe Oliver wants to establish a permanent service business that will not be dependent upon a continuing high level of construction activity or upon the whim of a home builder. The builder might decide to contract with someone else for his sheet metal and furnace work.

Les Powers wants to maintain a steady volume of work in his shop. He also wants to avoid too high a level of seasonal volume with its resultant confusion and poor service.

What about your business? Does the example of these 2 men suggest that you too can increase your receipts by some well-directed sales effort? Selling a service is not quite the same as selling goods. Yet many opportunities for creative selling appear when you think about your business. Think of the benefits of the services you render. Think how you can present these benefits to your customers.

Effective salesmanship also means being alert to opportunities to increase your volume by bringing in new customers. One way to do this is by studying the population trends in your area. Here you can gather many helpful facts from your local newspaper.

For instance, watch it for:

Newcomers,
Newly-weds,
Real estate transfers of old and new houses,
Births,
Deaths,
Families moving out of town,
Sons and daughters leaving for college or entering the armed forces,
Sons and daughters returning from college or the armed forces,
Stories about individual business or professional promotions, and
Stories about individual hobbies or recreations.

Chances are some of these people will need the service you are selling.

•*Don't Oversell.* Many service firms, especially in the home improvement field, have undertaken hard hitting, high pressure telephone sales campaigns. In some cases these campaigns backfired and hurt the entire industry. In these cases inexperienced people were hired to man the telephones. They were given a sales pitch which they learned by heart and proceeded to make calls.

Frequently misrepresentations were made. Customers were overcharged for inferior workmanship.

In a service firm's selling effort it is important to keep in mind that the prospective customer cannot actually see what he has bought until after the job is completed. Even then, as in the case of a watch repair, a clogged drain, or a defective refrigerator, he only knows that it functions properly *after* the

### CHECKING YOUR EMPLOYEES

Many complex factors are involved in effective selling, especially when you are selling services rather than a product which the customer can pick up, feel, squeeze, or try. In services the customer has to take your word and, in many cases, wait to see how good the service is. So any selling program must be built on a *quality* service that you as owner manager are proud of.

It may be helpful to check yourself and your employees (They represent you in the shop's front and in the customer's home.) against the following points:

(1) Are they satisfied with only the best quality work and do they know how to perform it?
(2) Are they friendly?
(3) Are they courteous?
(4) Do they know why and how the service benefits the customer?
(5) Do they tell the customer about these benefits?
(6) Are they aware of work schedules and the importance of delivering the service to the customer at the promised time?
(7) Do they make only realistic delivery or completion promises to customers?
(8) Are they helpful?
(9) Are they tactful?
(10) Are they neat and clean?
(11) Do they try to keep the customer's home neat when working in it?
(12) Do they look and listen for customer suggestions that might lead to improvements or new services?

job is done. There is *no way* for him to know what went into the job.

For this reason it is important to avoid overselling. It is important to avoid promising results that may not be produced. It is far better to undersell. A contractor who promises a 25 percent fuel saving after the installation of weather stripping and the caulking of window frames will probably not be called again by the home owner who realized a 10 percent fuel saving. If the contractor had promised a 5 percent fuel saving the customer would have regarded him more highly and would have been more likely to call him again.

- ***Planning.*** Every business is different. However, the mechanical and building trades services discussed here are fairly typical examples of how to use effective salesmanship. Every service business has similar selling opportunities.

The important thing is to plan the campaign and then make a consistent and steady effort to keep it going according to your plan. The adage: "Plan your work and work your plan," is most important in the selling of services.

## FOR FURTHER INFORMATION

Businessmen interested in exploring further the subject of effective salesmanship may wish to consult the references mentioned below. In keeping with the editorial policy of the series, this list has been kept brief and selective. No slight is intended toward authors whose works are not included.

*The Backbone of Retailing* by Jane Cahill. Fairchild Publications, Inc. 7 E. 12th St., New York, N. Y. 1960. $6.50.

"Are You Really Service-Minded?" by Einar Johnson. No. 52 in *Small Marketers Aids.* Small Business Administration, Washington 25, D. C. January 1960. Free.

"Incentive Pay Plans, Education of Crews Build Service and Sales for Houston Firm." *Air Conditioning Heating and Refrigeration News,* May 11, 1959. 450 W. Fort St., Detroit 26, Mich. $6.00 per year, 40 cents per copy.

"Servicing; the Kick that Kills Sales," by G. C. Nicholas. *Sales Management,* November 21, 1958. Sales Management, 630 3d Ave., New York 17, N. Y. $10.00 per year, 50 cents per copy.

"Training New Servicemen," by C. S. Bell. *Air Conditioning Heating and Refrigeration News,* January 26, 1959. 450 W. Fort St., Detroit 26, Mich.

"What's Your Service Score? Periodic Customer Relation Reviews Increase Service Effectiveness," by E. W. Fair. *Electronic Technician,* November 1959. 480 Lexington Ave., New York 17, N. Y. $4.00 per year, 50 cents per copy.

"You Can't Afford Old Fashioned Service." *Electrical Merchandising* (now *Electrical Merchandising Week*), November 1958. McGraw-Hill Publishing Co., 330 W. 42d St., New York 36, N. Y. $2.00 per year.

*Selling*

SMALL BUSINESS ADMINISTRATION

SMALL MARKETERS AIDS No. 60

Washington 25, D. C.

# SALES PROMOTION POINTERS FOR SMALL RETAILERS

By *Bernard W. Smith*, Associate Professor of Retailing, New York University,
School of Retailing, New York, New York

**SUMMARY**

Sales promotion is any special effort a retailer takes to improve his business and to hold on to his existing customers. In the broadest sense it is anything he does to move goods and services out of his store. All business activity that is intended to influence sales, such as a retailer's putting "An Open for Business" sign in his window, can be considered sales promotion.

However, this Aid deals with some of the basic specifics of sales promotion. It discusses objectives the retailer should strive for and lists ways to help him in planning to achieve those objectives in his sales promotion.

## POINT ONE - DETERMINE POLICY

The first step a retailer must take is to determine what type sales promotion policy is best for him. He should decide what clearcut "image" he wants his store to convey to the customer. The face the store presents must be clear, recognizable, and pleasing to the customer. Some of the categories in which these images may be classified are:

(1) Location - "At the crossroads"
"Opposite the bus terminal"

(2) Merchandise

- *Economy* - "The Bargain Store"
  "The Thrift Center"
- *Fashion* - "First in Fashion"
  "The Smart Shop"
- *Assortment* - "From Triple A to Triple E"
  "We have it or we will get it"
- *Quality* - "Every item guaranteed"
  "Laboratory Tested"
- *Service* - "The friendly store"
  "Delivery"
  "Your credit is good"
  "Exchange"
  "Fast Service"
  "Adjustment"

**The establishment of an "image" is important because it will influence everything you do in sales promotion. If, for example, you want to develop an "image" for exclusive fashions, your store must convey the feeling of smart fashion through its windows, wrapping, supplies, salespeople, decor, and advertising.**

Surveys show that 70 percent of customers have a store of "first choice" even though they shop in many stores. To get on a customer's "first-choice" list, your store must stand for something concrete in her mind.

## POINT TWO - ANALYZE THE MARKET

To find out what "image" will be most acceptable to your customers, you should analyze the market.

The market analysis that you need is comparatively simple--but essential. There are five major things you must know:

(1) What are the characteristics, economic and social, of the customers to whom you will cater? How much do they earn? Kind of industry they work in? Are they blue-collar or white-collar workers? Are they members of the country club? What are their social interests?

(2) Where do they come from? How do they come (walk or ride)? In what areas do they live? Are there any topographic or other geographic limitations that will hinder shopping in your store? How do they live (type of homes)?

(3) How many are there? What is the size of the market: population, size of family, age of residents? Relationship of transients to permanent inhabitants?

(4) What points of superiority does your store have to offset direct competition in its community?

(5) What are the counter attractions of other shopping centers and their effect on your store? Which stores do customers like? Why?

**Much of this information can be obtained from buying power indices, the chamber of commerce, or your local newspapers, as well as Government publications, such as those of the Small Business Administration and the Department of Commerce. Talking to salesclerks and people in the community is also helpful.**

## POINT THREE - DECIDE WHAT TO PROMOTE: THE COMMON DENOMINATOR

**A good concept of a retailer is one that defines him as the purchasing agent of his customers. It is your function to give the customer what she wants (or what you think the customer**

will want in the case of new items). The common denominator for all items to be promoted, therefore, must be *wanted merchandise.* In other words you must promote:

*The right merchandise*--merchandise that is in good taste and that conforms with the mores of the community.

*At the right price*--a price that your customers are able and willing to pay.

*At the right time*--the time when your customers are ready to buy.

*Of the right quality*--merchandise of a quality that is suitable for the function it is to perform.

*In the right fashion*--the style that is in current demand.

*In the right quantity*--in amounts sufficient to satisfy your customers' demands. The question "How long does it take to reorder?" is important here.

Each item must also reflect and help further your store's "image" in the customer's mind.

## POINT FOUR - DECIDE WHERE TO PROMOTE

Many promotional media are available to you. These can be divided into two major groups: (1) external media (2) internal media.

(1) External advertising media--newspapers, shopping publications, direct mail, handbills, outdoor signs, radio, and television.

(2) Internal advertising media--tear sheets, proofs, blow-ups of advertisements, handbills, manufacturers' literature, gift novelties, merchandise attachments, such as tags and labels, catalogs, signs, posters, public address systems, floor and window displays, and telephoning.

The choice of media is dependent on many interrelated factors, such as: the nature of the merchandise, the amount of merchandise available, the amount of money available, and the efficiency of the medium.

No hard or fast rule can be made. Each situation must be weighed by you as an individual retailer. For instance, if your store is in a small community, the newspaper can be a potent medium when it is the only one your customers see. On the other hand, if your community has no newspaper you may have to do your sales promotion through the media of a bulletin board in the village square or by word-of-mouth. However, the choice of items suitable for a specific medium can be stated in general terms for all retailers.

• ***Items for Newspapers.*** First--items to be advertised in newspapers must have all the elements described above under "common denominator."

Second--the items must conform with the nature of the medium. A newspaper is purchased for the *news.* The item therefore should have *news value.* It may be: news in fashion, news in price, news in utility, news in timeliness; seasonal or special occasion news in availability.

The newspaper is popular as an advertising medium with retailers because it has a low cost per reader, wide market coverage, family readership, quick public response, flexibility, and public acceptance.

The newspaper, like all media, has limitations. It offers you a ready-made circulation which you accept or reject. Sometimes its circulation extends to areas so remote that readers from those neighborhoods are unlikely to come to your store. In the newspaper, as in several other indirect media, your advertisements are competing with those of other stores.

• ***Other Indirect Media.*** There are other "indirect" media; that is, media that may reach wider audiences than the groups who are customers or prospective customers of the retailer. Examples of such media are signs, car cards, radio, television. You must pay a rate for space or time based on the medium's entire circulation, rather than on just the part of the circulation which reaches your customers.

Moreover, you must adjust the form of your advertising messages to the physical limitations and to the mechanical regulations prescribed by the medium employed. To overcome some of these limitations many retailers turn to direct mail in place of, or, to supplement the "indirect" media.

• ***Direct Mail.*** This type of advertising offers you the opportunity to select not only the item but also the audience to which your message is directed.

The criteria for selecting an item for direct mail are:

First--the item must have the elements described above under "common denominator."

Second--the message must be personal in the sense that the item presented must correspond with the needs and wants of the person receiving the message.

The success of a direct mail campaign is dependent therefore on having good mailing lists. The compilation of such lists takes time and effort, but it is worth it. Direct mail going to general lists or wrong lists can be very expensive.

• ***Windows.*** Store windows are often referred to as "show windows." They constitute the face your store shows the public. The nature of the merchandise being put into windows, more than anything else, should reflect the store's "image." It must be merchandise that, in addition to fulfilling the requirements of the "common denominator," has eye appeal and *attention-getting qualities,* as well as being something you are proud to show-off to your customers. To tell the customer the complete story, put a price sign on your merchandise.

• ***Internal Displays.*** (Permanent and Semi-Permanent) The qualifications for items to be used for internal display are the same as for show windows. Such displays have the added advantage of being useful as outposts for different sections of your store, and they lend themselves to coordinated displays of related items.

• ***Point-of-Purchase Display.*** These displays are used (a) to highlight selling points of a fast-selling item (b) to keep customers interested while waiting for a salesclerk (c) to help increase sales of a desired item as is done with mass displays of current, wanted, or advertised items.

The merchandise selected must help accomplish these aims. The display therefore must be: clear as to the message it wishes to convey, attention getting, eye appealing, and self explanatory.

- *Radio and Television.* You should remember a few fundamentals of two of the fastest growing media in sales promotion, radio and television. Radio is used by many stores most effectively for promoting the store "image." Where it is used for merchandise selling, the item must be of such a nature that the customer can recognize and identify it by a word description.

Many have found that presenting this picture in an entertaining way, such as with a jingle or comic or dramatic presentation, is more effective than straight reporting. Of course, the item must have all the elements listed above under "common denominator."

Merchandise that is to be presented on television must meet the requirements for windows and radio. In addition, it must be able to make good use of the element of movement.

The nature of the programs and positions (time and relationship to other popular programs) are important factors in securing an audience for your presentation. The research division of the local radio or television station can help you greatly in making this determination.

- *Public Relations.* It is the effort on the part of the retailer to develop a gracious personality or a favorable "image" and then to publicize this personality to his present and potential customers. This takes time and persistence. If you have your own "image" (see above) clearly in your mind and consistently promote it, you will have made an impression on your audience.

The most common avenues used by retailers to accomplish this purpose, in addition to the regular channels of advertising described above, are: (1) participation in community events; (2) special events away from the store, for instance, fashion shows; (3) exhibitions, demonstrations, and so on at the store; and (4) special customer services.

## POINT FIVE - DECIDE HOW MUCH TO PROMOTE (BUDGETING)

There are many variables to be considered in determining the amount of money a store needs and can afford to spend. The answer that is right for your store may be wrong for another. The factors are:

- Age of store (A new store needs more promotion than one that is well established.)
- Policies of the store (A women's shoe store needs more advertising than a pastry shop in a shopping center.)
- Size of store in relation to the size of the community (In a large community a small store needs more advertising.)
- Location of the store (A neighborhood bookstore needs more advertising than an airport bookstore.)
- Size of the trading area (A farm equipment dealer may need to advertise in several surrounding counties.)
- Competition (Your store can fade away in the din of your competitors' heavy advertising.)

As a starting point in deciding how much to spend, you may consult the figures supplied by trade associations or advisory services which report the "average" experiences of other retailers. Averages, however, lump together the experiences of highly successful stores with stores having mediocre operations, and should not be used without judgment.

As a next step you should estimate how much promotion you need and can afford. You can compare your past sales against your past promotional efforts to try to determine what kind of promotion pulls customers into your store.

| MONTH | CLIMATIC | CALENDAR | TRADITIONAL |
|---|---|---|---|
| Jan. | Clear. of winter merchandise, Resort Wear | Inventory Clearance | White Goods Sales, Drug Sales |
| Feb. | Advance showing of spring merchandise | Lincoln's B'Day, Wash. B'Day, Valentine's Day, Boy Scout Wk., Lent* | Furniture, Piece Goods, Housewares |
| Mar. | Spring clothes | Girl Scout Wk. Easter gifts*, St. Patrick's Day | Home furnishings* |
| Apr. | Spring cleaning, Garden supplies & outdoor furn., Fur storage | B'ball Season Open., Do-it-Yourself Wk., Baby Wk. | Spring Anniversary Sales* |
| May | Spring clearance, Summer sportswear, Air-cond. | Mother's Day, Camp wear | Bridal Promotions |
| June | Summer wear | Grad. Gifts, Father's Day, Vacation Needs, Bar-B-Q Needs | Housewares, Drug Sales |
| July | Summer clearance | 4th of July, Inven. Clear. | |
| Aug. | Advance showing of Fall merchandise | Back-to-school needs | Furniture*, Piece Goods, Fur Sale, Housewares* |
| Sept. | Fall clothes | Xmas-Lay-away promotion, Back to school | China & Glass, Draperies & Curtains |
| Oct. | Fall clothes & Accessories | Columbus Day | Fall Anniv. Sale*, Woolen Piece Goods |
| Nov. | Fall clothes & Accessories | Elec. Day, H'oween, Xmas-Open., Toys | Linens, China & Glass |
| Dec. | Winter clothes, Resort wear | Xmas gifts, Evening wear | |

*Subject to variations.

Finally, you must determine when and what to promote, and allocate your promotional money to the various media.

## POINT SIX - DECIDE WHEN TO PROMOTE

A study of consumer buying habits will indicate that they follow a fixed pattern with only fractional variations from year to year. In department stores, for example, as shown by Federal Reserve (1957) reports, the monthly breakdown of sales shows a pattern that runs somewhat as follows:

| | | | |
|---|---|---|---|
| January | 6.7 | July | 6.5 |
| February | 6.2 | August | 7.7 |
| March | 7.3* | September | 8.0 |
| April | 7.9* | October | 8.7 |
| May | 8.2 | November | 10.1 |
| June | 7.5 | December | 15.2 |

*Subject to larger variation because of differing dates of the Easter season.

The reason for this fluctuation in consumer demand is that consumer buying habits are related to:

(1) Climatic factors;
(2) Calendar factors (holidays, and special dates, such as Mother's Day, Baby Week);
(3) Traditional factors (retail customs and traditions).

The first two are pretty well fixed. The third factor is subject to variation within a limited range. As an example, some stores will run a February furniture sale in January (calling it a midwinter sale) if budgeting, competition and other business conditions warrant a change. The chart on page 3 indicates some of the most important events in each month. You should consider that climatic scheduling will differ in various sections of the country and should be modified to meet conditions in your region.

Also your promotional plan should include special events that are characteristic of your store, or community events such as Dollar Days, Pioneer Days and those resulting from opportunistic purchases made in the market.

You can chart each month's plan on a sheet such as this:

| Week Date | Sales | Dollars for Advertising | Window (Items) | News-paper (Items) | Mail (Items) | Other (Radio, T.V., and so on) |
|---|---|---|---|---|---|---|
| | Last year____<br>This year____ | Last year____<br>This year____ | | | | |
| | Last year____<br>This year____ | Last year____<br>This year____ | | | | |
| | Last year____<br>This year____ | Last year____<br>This year____ | | | | |
| | Last year____<br>This year____ | Last year____<br>This year____ | | | | |
| | Last year____<br>This year____ | Last year____<br>This year____ | | | | |

## FOR FURTHER INFORMATION

Businessmen interested in exploring further the subject of sales promotion may wish to consult the references mentioned below. In keeping with the editorial policy of this series, this list has been kept brief and selective. No slight is intended toward authors whose works are not included.

"The Image of Your Business." *Montana Business Review.* July 1960. Bureau of Business and Economic Research, School of Business Administration, Montana State University, Missoula, Mont. Free.

*Newspaper Advertising for the Small Retailer.* by Isabelle M. Zimmerly. Bureau of Business Management, University of Illinois. Urbana, Ill. 1954. 85 cents.

*Retail Advertising & Sales Promotion.* by Charles M. Edwards, Jr. & Russell A. Brown. Prentice Hall, Inc., Englewood Cliffs, N. J. $7.95.

*Sales Promotion Manual for Smaller Stores.* Smaller Stores Division and Sales Promotion Division, National Retail Dry Goods Association, 100 West 31st Street, New York 1, N. Y. 1951. $6.00.

*Successful Store Advertising.* by Kenneth Collins. Fairchild Publications, Inc., 7 East 12th Street, New York 3, N. Y. 1959. $1.75.

Case of the
Vanishing
$'s

# CASES IN POINT

## *Case Studies for Depth Penetration*

## Section

The case method has proven stimulative and effective in many administrative management courses. The following case material is suggested as a means of encouraging discussion.

It is suggested that one full session be devoted to the presentation of the topic as outlined in this manual. A case can sometimes be used to stimulate or augment the discussion period that follows the presentation. This could be one way of expanding the basic materials into an advanced course on the subject.

# THE CASE METHOD OF STUDY

The case method is a teaching device that helps the student learn through the processes of reasoning and decision making. Other popular teaching techniques stress learning or memorizing other people's knowledge on a given subject. The case method stresses his thinking abilities rather than his memory; it is dynamic, not passive.

What is a case? It is a description of an actual or true-to-life business situation. It is a statement of facts, opinions, and judgments--in short, a problem having no pat answer but lending itself to discussion and analysis.

The case method is particularly helpful in teaching businessmen because it uses real, practical problems rather than abstract situations. Properly used, it involves the participants in a way that will hold their interest and stimulate their thinking. It is particularly useful in developing in the individual (1) the ability to make decisions on administrative tasks (without incurring the penalties of a wrong decision on the job); and (2) the habit of thinking analytically and constructively.

The case method also highlights the value of group discussion and analysis. Each member of the group contributes from his unique experience, and each participant gains from the others. The group's knowledge and experience will exceed that of any one participant--including the instructor.

The following checklist can serve as a procedure for conducting case study and analysis:

### Suggestions for Case Study

1. Read the case carefully for general content.
2. Arrange the facts of the case in order of importance.
3. Recognize and define the major problem(s) needing solution.
4. Analyze the problems and their relative importance.
5. Search for and establish alternative solutions.
6. Select the most desirable of the appropriate solutions.

7. Analyze your probable solutions; set up the pros and cons, giving value to each.

8. State your choice, decision, or final conclusion--and be prepared to defend it.

9. Set forth the plan or plans you would follow to implement the decision.

# IDEAL LAUNDRY AND DRY CLEANING COMPANY *

J. A. Wilson originally purchased the Ideal Laundry and Dry Cleaning Company in 1919. He built up the business by trying to give high-quality service at prices competitive with those of other high-grade laundries and dry cleaning plants in the community.

By close personal attention to all factors affecting costs, by expanding cautiously, and by avoiding expenditures that appeared unwise, Wilson had been able to operate the business profitably. However, during a 3-year period ending in 1963, sales had remained fairly constant and operating costs had risen, resulting in a net loss of almost $20,000 in 1962. Laundry accounted for 56.5 percent of Ideal's revenue, dry cleaning for 41.2 percent, and fur storage and rug cleaning together for 2.3 percent. Direct productive laundry labor was 34.6 percent of laundry sales, 3 to 5 percent higher than in other comparable power laundries.

To attract trade during relatively slack seasons, Ideal offered "specials" on such items as blankets, draperies, etc. Notices of these specials were inserted with monthly statements mailed to customers, and moderate-size ads were run in the local newspaper. The specials offered by Ideal often looked high in comparison with prices advertised by some competitors. Recently Ideal had advertised a special price of 53¢ for cleaning women's sweaters; at the same time another laundry advertised a price of 23¢. This competitor, whose regular prices for dry cleaning were lower than Ideal's, was currently offering a price of only 1¢ for dry cleaning the third suit or dress. Wilson said the quality of the work did not compare with that done by Ideal, yet he knew a certain percentage of the public would think it a bargain. In spite of this he did not choose to lower the standards of quality on which Ideal had built its trade.

Wilson was certain that one of the best ways to improve profits was through larger volume, but increased expenditures for advertising in 1962 had failed to produce the desired increase in sales. Ideal had 12 route salesmen, each paid a commission of 20 percent with a guaranteed minimum of $75 per week. Some of the drivers averaged better than $100 a week, but several others did not even earn the minimum guarantee. Ideal had had only limited success with sales contests between drivers. Short contests had given best results. If the contest extended over a long period, one driver was likely to forge ahead, and the others would then lose interest.

---

*Adapted from SBA's Coordinator's Kit, Management Case No. 9.

Ideal maintained retail stores at strategic locations. Customers could save 10 percent by leaving and picking up their own laundry or dry cleaning at these stores. Middle-age women had been found the most satisfactory attendants. They liked the steady year-round employment and took an interest in seeing that the customers were pleased with the service. In addition to operating its own retail stores, Ideal paid an agency commission of 5 percent to proprietors of grocery stores, restaurants, and other places of business that would handle work left with them. The net return to Ideal on work from the stores and agencies was about the same as from its route salesmen, and Ideal was very glad to have the added volume. Wilson had made the necessary improvements to give each of his retail stores the attractive appearance naturally associated with a high-quality service, but sales volume had been disappointing lately in two or three locations and he was considering closing them.

During the past few years, thousands of unattended coin-operated automatic laundries have been opened. Many have proved profitable. Since so many families seemed to prefer to do the family wash in a coin-operated laundry, Wilson decided that Ideal should open one, possibly more. A 21 x 90 feet building in the rear of a large service station on a main traffic artery was leased for 5 years at $200 a month. The station serviced large trucks at night and the entire area was brilliantly lighted. Parking space for about 20 cars was available to patrons of Ideal's Coin-a-matic laundry.

Ideal installed a retail store in one end of the building. During the day a saleslady handled work left there to be processed at the Ideal plant. She also took care of any emergencies that arose during the day. At night no attendant was provided and, because the area was so well lighted, no night watchman was necessary. No vandalism had been experienced. Cards were provided for patrons to report any failure of a machine. A nearby service agency was engaged to come on call and make any needed repairs.

Vending machines for dispensing soap, bleach, soft drinks and coffee were installed. A man who lived in the neighborhood was hired to come in twice a day to pick up the litter around the machines and to mop the floor. Wilson said he knew women would not continue to come to a place that was not kept clean.

When Ideal first opened its new coin-operated laundry, it gave a Boy Scout troop $90 to make two distributions of handbills to 4,000 homes in about a three-mile-square area surrounding the new store.

The scoutmaster, whose shift at a local steel mill finished at 3:15 p.m., supervised the boys by driving back and forth over the area. The scouts did an excellent job. Printing the 10,000 handbills passed out in the two distributions cost $35.

No prices or special inducements were offered and no other special promotional efforts were made at that time.

Mr. Wilson believed promotional efforts were overdone sometimes and cited a recent opening of a coin-operated laundry in a nearby town. The proprietor had used a two-color, 5-column, 12-inch ad to announce a "free drawing" for the following prizes to be given at the "Grand Opening:"

3 transistor radios,
20 $5 cleaning certificates,
1 dozen plastic laundry baskets, and
candy and balloons for the kiddies.

Wilson said this new unit had limited capacity and that if very many women brought their wash at the time of the "Grand Opening," many of them would get impatient while waiting to get to a washing machine. Furthermore, he pointed out that because only a few would get prizes, the majority would, in his opinion, go away dissatisfied.

(*Launder-Matic Age* states as a rough "rule-of-thumb" that sales of $1 per washer per day and $2 per dryer per day are needed to break even. On that basis, with 30 washers and 10 dryers, the break-even point for Ideal would be about $350 a week.)

The total income from washers, dryers, and supplies sold at Ideal's Coin-A-Matic Laundry in the 5 months since it opened were as follows:

| | **Average Per Week** |
|---|---|
| September (2 weeks) | $194 |
| October (5 weeks) | 338 |
| November (4 weeks) | 478 |
| December (4 weeks) | 509 |
| January (5 weeks) | 605 |

Wilson was pleased with the growth in volume, but said he was glad he had deferred opening a second unit until he had had a full year's experience with the first one.

Originally he had estimated expenditures for leasehold improvements, purchase and installation of equipment, and similar items might be $25,000 and net profits for the first three years might be $1,000, $2,000, and $2,500 respectively.

In January, two more washers and two more dryers were installed, bringing the total investment to $31,000. Charges for utilities were averaging 29 percent of sales (gas 11 percent, electricity 8 percent, and water 9 percent) and there were indications that repairs and maintenance might be more than anticipated. On the basis of the first 16 weeks of operation, Wilson estimated the first year's profit would be $3,500, but added, "We have so much to learn from this venture that we must have more than 16 weeks of operating figures to give us conclusive information."

The addition of two washers and two dryers was announced in a small display ad in the leading local newspaper. Ideal also called attention to the complete laundry and dry cleaning service offered. Characteristically, the advertising copy avoided any extravagant claims, and was a simple, straightforward statement regarding Ideal's services.

Wilson still felt he had been correct in deciding that a costly promotion at the opening of his coin-operated laundry was unnecessary. In his opinion, the unit was successful because Ideal had tried to provide what he thought women would like in such an operation:

Safety--brilliant lighting of the area,

Cleanliness--litter removed and floor mopped twice daily,

Performance--machines kept in good operating condition by competent service agency,

Fairness--refunds for machine failure made promptly and without question.

# NOTES ON CASE STUDY

## Ideal Laundry and Dry Cleaning Company

This case presents the situation of a firm which has begun to operate unprofitably. While Ideal has been handicapped by the weakening trend in evidence for the entire laundering industry, its sales-promotion efforts appear to have been inadequate and ineffective.

Probably the weakest point in Ideal's promotional efforts is the failure to capitalize on the service the firm gives its customers. The quality of Ideal's work has always been good, but little effort has been made to publicize this fact.

Another weakness in Ideal's promotional efforts is that the company does not attempt to sell its image to the public as a firm providing a desirable convenience and a saving of time-consuming work for its customers.

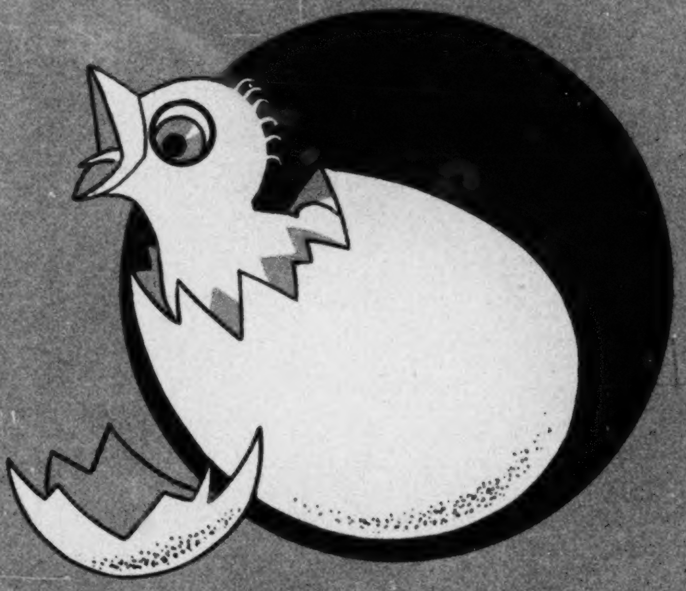
Wilson appears to have depended too much on the interest of his route men in developing new business. These route men have no promotional aids or simultaneous program of promotion to help them get a "foot in the door." Wilson's feeling that he has a hopeless situation with the route men may be partially correct. However, instead of encouraging them, Ideal set up other outlets in competition with the route salesmen. (This action is not described as wrong; rather it is presented to show the point of view of the route men.) The point is that Wilson's attempt to increase his business through route men may have been ill-advised, considering that the increasing popularity of self-service outlets could eventually eliminate route men.

In contrast to Ideal's situation, a network of open-air "Launderamas" in Mobile, Alabama, was opened with considerable fanfare. There were free balloons, cola and peanuts for the youngsters. Adults got a chance at a free TV set. And the response, it was reported, was terrific.

In Peoria, Illinois, a proprietor of coin-operated laundries who is "a firm believer in promotion" had this experience: About a week after the opening of his first store, the proprietor used a newspaper ad and handbills, distributed house to house and by mail, to offer two free washings. This was followed by classified ads appearing daily and by two-inch display ads twice a week on the first page of the local section of the newspaper.

The opening of his second store was announced by a large newspaper ad, followed by a series of 5-inch double column ads. At the second location he set up an office for receiving and delivering dry cleaning and installed a bantam shirt-finishing unit. As an introductory offer for the opening, handbills carrying coupons entitling the bearer to free laundry of a shirt were distributed house to house and mailed to more than 2,000 addresses in the neighborhood. Others were placed in grocery bags of shoppers at supermarkets. This owner also gave trading stamps with shirt and dry cleaning orders.

Possibly the inability of the Ideal Laundry to make any marked increase in sales had considerable influence on Wilson's decision not to have any special promotion for the opening of Ideal's first coin-operated laundry. He probably also felt that the location of the new unit was so well situated it would have important bearing on the success of the venture.



# THE INCUBATOR

## *A How To Do It*

## Section

Experience has shown that people achieve maximum benefit from a conference, staff meeting, or training session when a period of incubation follows the implantation of the new idea, new information, or "new slant."

This is a do-it-yourself section that will allow the participants to try out or apply the ideas and information gained from this session.

This material may be reproduced locally for distribution to course participants.

# INCUBATOR ASSIGNMENT

## Multiple Choice Test

Directions: Choose the phrase that best completes the statement; underline your choice. The first item is an example.

0. Sales promotion is— (d)

   a. The advertising of all the store's merchandise.
   b. The use of publicity stunts.
   c. The application of salesmanship to all the store's operations.
   d. The use of all known techniques for promoting the store's merchandise.

1. The anniversary sales theme should be built— (a)

   a. Around the history of the store.
   b. Around all the merchandise in the store.
   c. Around a certain department.
   d. Around the services the store has to offer.

2. Sales events should be planned— (c)

   a. During the Christmas season.
   b. During a depressed buying period.
   c. During an active buying period.
   d. During the period when new merchandise and styles are coming out.

3. It has been found that the best length of time for a store-wide sale is— (b)

   a. A month.
   b. Ten days to two weeks.
   c. A year.
   d. One day.

4. Which of the following items would be least likely to be placed on sale in a department store? (d)

   a. Women's dresses.
   b. Men's overcoats.
   c. Furniture.
   d. Tobacco items.

5. Which of the following services would be most costly to maintain? (b)

   a. Credit service.
   b. Delivery.
   c. Personal shopping bureau.
   d. Wrapping desk.

6. In which of the following types of stores would sales promotion be most effective? (c)

   a. A store that has low sales because of poor location.
   b. A store that has low sales because of poor salespeople.
   c. A store that is well stocked, has efficient salespeople, and progressive management.
   d. A store that is overloaded with merchandise people do not want.

7. Which of the following types of sales would you use for a slow-moving line of men's shoes? (d)

   a. Special sale.
   b. Anniversary sale.
   c. Clearance sale.
   d. Seasonal sale.

8. Which of the following types of sales would you use for a slow-moving style item toward the end of the season? (a)

   a. Clearance sale.
   b. Special sale.
   c. Odd-lot sale.
   d. Seasonal sale.

9. If a store wanted to conduct a sale so as to attract new customers, sale goods should include— (d)

   a. Slow-selling odd items.
   b. Over-stocked items.
   c. High-margin items which can be greatly reduced in price without incurring loss.
   d. Certain well-known standard articles.

10. The person responsible for planning and conducting a sale in a small store is— (c)

   a. The merchandise manager.
   b. The buyer.
   c. The store owner.
   d. The advertising manager.

---

Source: Adapted from "How To Organize and Operate a Small Business" (Instructional outlines); California State Dept. of Education.

# BIBLIOGRAPHY

## Topic—Aspects of Sales Promotion

This selected bibliography is composed of material found useful in a study of sales promotion factors. Most of the publications can be obtained at libraries and bookstores, or from the publishers; the free SBA leaflets mentioned can ordinarily be obtained from the nearest SBA office.

Advertise--To Promote Your Business, To Sell Your Goods. 1965. National Cash Register Co., Dayton, Ohio 45409.

Aspley, John C. Sales Promotion Handbook. 4th ed., 1964. Dartnell Corp., Chicago, Ill. 60640. $17.50.

Baker, Sam S. Casebook of Successful Ideas for Advertising and Selling. 1959. Doubleday, Garden City, N. Y. 11531. $3.95.

Brown, Russell A., and Charles M. Edwards, Jr. Retail Advertising and Sales Promotion. 3d ed., 1959. Prentice-Hall, Englewood Cliffs, N. J. 07632. $8.95.

Hepner, H. W. Advertising: Creative Communication With Consumers. 4th ed., 1964. McGraw-Hill, New York, N. Y. 10036. $8.95.

Howell, Leland L. "Advertising--Retail Store." Rev. ed., 1963. Small Business Bulletin No. 20. Small Business Administration, Washington, D. C. 20416. Free.

Kelley, Pearce C., and Kenneth Lawyer. How To Organize and Operate a Small Business. 1961. Prentice-Hall, Englewood Cliffs, N. J. 07632. $10.95.

Lipscomb, Charles T., Jr. "Checklist for Successful Retail Advertising," Small Marketers Aids No. 96. Small Business Administration, Washington, D. C. 20416. Free.

McClure, L. W., and P. C. Fulton. Advertising in the Printed Media. 1964. Macmillan, New York, N. Y. 10011. $7.50.

Nolan, Carroll A. *Marketing, Sales Promotion, and Advertising.* 7th ed., 1965. South-Western, Cincinnati, Ohio 45227.

Valentine, Ruth. "Store Arrangement and Display," *Small Business Bibliography* No. 52. Rev. ed., 1964. Small Business Administration, Washington, D.C. 20416. Free.

U.S. GOVERNMENT PRINTING OFFICE : 1966 O—226-781

# SMALL BUSINESS ADMINISTRATION

## FIELD OFFICES

Agaña, Guam
Abuquerque, N. Mex.
Anchorage, Alaska
Atlanta, Ga.
Augusta, Maine
Baltimore, Md.
Birmingham, Ala.
Boise, Idaho
Boston, Mass.
Buffalo, N.Y.
Casper, Wyo.
Charleston, W. Va.
Charlotte, N.C.
Chicago, Ill.
Cincinnati, Ohio
Clarksburg, W. Va.
Cleveland, Ohio
Columbia, S.C.
Columbus, Ohio
Concord, N.H.
Dallas, Tex.
Denver, Colo.
Des Moines, Iowa
Detroit, Mich.
Dover, Del.
Fargo, N. Dak.
Hartford, Conn.
Helena, Mont.
Honolulu, Hawaii
Houston, Tex.
Indianapolis, Ind.
Jackson, Miss.
Jacksonville, Fla.
Kansas City, Mo.
Knoxville, Tenn.
Las Vegas, Nev.
Little Rock, Ark.
Los Angeles, Calif.
Louisville, Ky.
Lubbock, Tex.
Madison, Wis.
Marquette, Mich.
Marshall, Tex.
Miami, Fla.
Milwaukee, Wis.
Minneapolis, Minn.
Montpelier, Vt.
Nashville, Tenn.
Newark, N.J.
New Orleans, La.
New York, N.Y.
Oklahoma City, Okla.
Omaha, Nebr.
Philadelphia, Pa.
Phoenix, Ariz.
Pittsburgh, Pa.
Portland, Oreg.
Providence, R.I.
Richmond, Va.
St. Louis, Mo.
St. Thomas, U.S. Virgin Islands
Salt Lake City, Utah
San Antonio, Tex.
San Diego, Calif.
San Francisco, Calif.
Santurce, P.R.
Seattle, Wash.
Sioux Falls, S. Dak.
Spokane, Wash.
Syracuse, N.Y.
Toledo, Ohio
Washington, D.C.
Wichita, Kans.

The addresses and telephone numbers of these field offices are listed under U.S. Government in the respective city telephone directories.

ERIC Clearinghouse
APR 3 1972
on Adult Education

- GRAY — The Lesson Plan

- RUST — The Presentation

- BUFF — The Visual Aids

- GREEN — The Supply Department

- YELLOW — Cases in Point

- BLUE — The Incubator